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CSCE Meets at North Ossetian Council of Ministers

LD2605101793 Moscow ITAR-TASS in English 0939 GMT 26 May 93

[By ITAR-TASS correspondents Valeriy Shanayev and Mikhail Shevtsov]

[Text] Vladikavkaz May 26 TASS—The road to peace and concord in the region lies in a dialogue between opposing parties and in meeting halfway each other, a mission of representatives from the Conference on Security and Cooperation in Europe [CSCE] was quoted as saying at the North Ossetian Council of Ministers.

The mission included diplomats from the United States, Britain and Germany. They were interested in the North Ossetian Republic's position on a settlement in South Ossetia and the situation in the Prigorodnyy district in North Ossetia.

Despite the fact that Russian peace keepers fully control the situation in the state of emergency zone in North Ossetia and Ingushetia, the situation in the area remains very tense.

The interim administration registered several local firing engagements over the past 24 hours in the Prigorodnyy district, the centre of the armed conflict. There was no information about casualties.

The Interior Ministries of North Ossetia and Ingushetia recorded 17 crimes. Twenty people were detained in the zone for administrative violations, and 2,000 motor vehicles were searched.

According to information from the press centre of the North Ossetian Interior Ministry, unidentified suspects put into circulation in the republic a large batch of counterfeit bills with a denomination of 10,000 roubles.

Moscow Authorities Close Four Refugee Camps for Africans

AU2705140193 Paris AFP in English 1322 GMT 27 May 93

[Text] Moscow, May 27 (AFP)—Moscow regional authorities have closed four refugee camps for Africans in the past few days, leaving 1,000 Somalis, Ethiopians and Angolans without shelter, western aid workers said Thursday [27 May].

There were seven camps to start with, holding 2,500 refugees in rest homes in the suburbs of the Russian capital. They are being looked after by the U.N. High Commissioner for Refugees and a French non-governmental charity called Equilibre.

The rest home managers were under pressure from regional authorities who did not want illegal immigrant refugees on their doorstep, even though the camp inmates had just been given refugee status, explained Dominique Lambert of the French group.

She said traditional Russian xenophobia was combining with an administrative vacuum to create problems.

Russia had signed the Geneva convention on refugees, and President Boris Yeltsin's office had put out a generous law on immigration, but administrators were unaware of it and so it was not being put into effect, Lambert said.

A graphic illustration of the situation was provided by three coachloads of Somali women and children stuck outside the offices of the Russian federal immigration service in Moscow.

There were 130 of them, sent away from Rumiantsevo camp west of the city because Russian tourists had made reservations to stay at the rest house and would be arriving in the next few days, the camp chief said.

The immigration service had suggested alternative accommodation at Chekhova camp far from Moscow, but there were already 500 refugees there, said UNHCR special envoy Cecile Lapierre. She noted that in addition to the refugees, there were 20,000 Africans, Afghanis and Iraqis camping out in railway stations and airports, or wandering the streets, but the UNHCR could do nothing for them.

Immigration service head Yuri Arkhipov said it was obliged to give housing priority to millions of registered refugees from the old Soviet Union.

CBR Official at International Forum on Economy

LD2605182193 Moscow ITAR-TASS in English 1526 GMT 26 May 93

[By BUSINESS-TASS correspondent Vadim Yegorov]

[Text] Moscow May 26 TASS—"A joint statement on the economic policy of the government and the Central Bank of Russia (CBR) contains tough restrictions for monetary and credit policy, the realisation of which might cause serious problems," Aleksandr Khandruyev, deputy chairman of the CBR, said at an international forum "world experience and Russian economy" today.

According to Khandruyev, CBR Chairman Viktor Geraschenko has not yet signed a technical supplement to the statement, which contains concrete criteria for financial stabilisation, worked out an agreement with IMF experts. The reason for the delay is that the supplement contains too detailed figures on the monetary-credit emission, which cannot be fulfilled taking into account realities of the Russian economy. According to Khandruyev, "the CBR does not want to lead a double game undertaking commitments it cannot fulfill for the sake of obtaining the first part of the IMF reserve credit, but considers it necessary to take principal steps for the stabilisation of the financial system and support its declarations by pursuing realistic policies."

According to the CBR official, there are grounds for concern. The Russian Government lacks sufficient control over the state budget, levying not enough taxes and exceeding endorsed expenditures. In particular, the Finance Ministry has failed to submit its assessment of the dynamics of the budget deficit, constantly correcting this figure. The technical supplement points out a critical volume of the budget deficit for 1993 to be at the level of 10-11 trillion roubles, while, according to estimates made by CBR experts and the Finance Ministry itself, its real size of the budget deficit will amount to about 20 trillion roubles.

Second, there are serious doubts whether the government manages to sign an agreement with the former Soviet republics about the conditions of credit financing. Besides, the procedure of granting new intergovernment loans via Russia's budgetary system might further destabilise the expected balance of the budget. Finally, the CBR monetary and credit policy is subjected to the influence of non-monetary inflation factors. For instance, the expected liberalization of prices for energy carriers might lead to another price increase and prevent us from achieving the expected results on the reduction of the rate of inflation, Khandruyev said.

Khandruyev pointed out that these problems demand thorough coordination of the government and the CBR policies, which will help in the long run to fulfil principle tasks outlined in the joint statement.

Moscow Hosts Conference on Armed Forces Reform

LD2505145293 Moscow ITAR-TASS in English 1250 GMT 25 May 93

[By ITAR-TASS correspondent Lyudmila Yermakova]

[Text] Moscow May 25 TASS—General Vigleik Eide, former chairman of the NATO Military Committee, said in an interview with ITAR-TASS that Russia can make a considerable contribution to the settlement of conflicts in "hot spots" of the planet, adding that Russia is already doing so, which can be seen from the Yugoslav example.

General Eide is taking part in an international conference called "The Humanization of Military Activities and the Reform of Armed Forces", which continues its work in Moscow today. The conference was convened on the initiative of a number of organisations, coming out for a deep reform of the armed forces under new historic conditions. Among participants in the conference are representatives of the association "The Army and Society," parliamentary committees dealing with problems of defence and the position of servicemen, the Russian Academy of Sciences and the Russian Defence Ministry, the European Committee for Studies of Problems of the Army and Society, military commanders and scientists from CIS and foreign countries.

General Eide has been involved in the process of the peaceful settlement of the Yugoslav crisis as an expert of the U.N. team. He believes that contacts between different countries to end armed and ethnic clashes should be broader.

Russia Joins European Conference of Transport Ministers

LD2805085593 Moscow ITAR-TASS in English 0633 GMT 28 May 93

[By ITAR-TASS correspondent Taras Lariokhin]

[Text] Noordwijk (The Netherlands) May 28 TASS—"Russia's integration into the world economy is unthinkable without the creation in our country of a dependably operating, efficient, safe and ecologically clean transport system. Hence, international cooperation in this sphere is most important," Russian Transport Minister Vitaliy Yefimov told a session of the European Conference of Transport Ministers (ECTM), which ended its work at the Dutch health resort of Noordwijk on the coast of the North Sea.

Russia was accepted as associated member of this intergovernmental organisation in the course of the session. The ECTM, which is to mark its 40th anniversary this year, includes 29 countries of Western and Eastern Europe. The United States, Canada, Japan, Australia and New Zealand also took part in its work as associated members.

The ECTM session discussed problems of perfecting the transport infrastructure, developing railway services and protecting the environment. It decided to draw up a list of motor and rail roads in Europe, needing improvement. The ministers arrived at the conclusion that the speed of passenger train traffic on the territory of Europe should range from 140 to 240 kilometres per hour, and of freight trains—100 kilometres. Freight-carrying motor vehicles, meeting heightened economic requirements, will henceforth be given preference in Europe.

Pacific Council Representatives Arrive in Khabarovsk

LD2705102593 Moscow ITAR-TASS in English 0857 GMT 27 May 93

[By ITAR-TASS correspondent Anatoliy Vostokov]

[Text] Khabarovsk May 27 TASS—Participants of the 26th session of the Pacific Economic Council, which ended the other day in Seoul, arrived here today to establish contacts with leaders and businessmen of Khabarovsk territory, the Russian Far East. Guests from Australia, Korea, New Zealand, Canada, the United States, Japan and some other countries represent the elite of the Pacific business world.

They plan to discuss with potential partners from Yakutia, Kamchatka, Sakhalin, Siberia and the Far East ways to promote international cooperation and entrepreneurship. Their plenary meetings today will focus on the legal and administrative regulation of foreign business transactions in the territory, the creation of favourable taxation and customs regimes for foreign companies, and on investments in the economy of the Far East and Siberia. These matters are to be discussed in greater detail next day in the following panels: "shipbuilding", "trade", "power generation and mineral resources", "banks and investment", etc.

After their two-day sojourn in Khabarovsk, the guests will visit Vladivostok and Nakhodka for the same purpose. The meetings are sponsored by the Far Eastern regional centre of the Russian National Committee for Pacific Economic Cooperation and the Far Eastern Association of Economic Mutual Assistance.

Struggle Around Black Sea Navy 'Coming to a Head'

LD2705142793 Moscow ITAR-TASS in English 1256 GMT 27 May 93

[By ITAR-TASS correspondent Andrey Naryshkin]

[Text] Moscow May 27 TASS—The conflict around the Black Sea Navy is coming to a head. Not only Black Sea navymen, but also political parties and movements of various hues are being drawn into it. The discordance of opinions was aggravated today by the extremely categoric statement issued by the Union of Ukrainian Officers. The document, addressed to the Ukrainian president and parliament, says that "if the imperialistic provocations of Russia in the Crimea were continued, the union would address an appeal to all Ukrainian servicemen to defend the independence of their country". The Union of Ukrainian Officers "strongly condemns the provocative actions of Russia's extremist forces on the territory of the independent Ukrainian state and is surprised that the Ukrainian state bodies have not reacted to the imperial actions of the Russian side".

A similarly strong appeal was addressed on the same day to the president of Russia, parliament speaker and chairman of the Constitutional Commission by a faction of the Sevastopol Council of People's Deputies, known as "Russian Sevastopol and Crimea", and also the Front for the National Salvation of Sevastopol, the Republican Party of the Crimea and several movements and organisations. The appeal says that "all the meetings called to draft a new constitution of the Russian Federation must include in the text of the draft an article on the status of Sevastopol". Absence of such an article in the fundamental law of Russia, the authors of the appeal claim, "will eventually complicate the settlement of the problem Russian jurisdiction over the historically Russian city of Sevastopol, as the chief base of the single and indivisible Black Sea Navy, standing guard over the true interests of the peoples of the Commonwealth of Independent States".

Joint Baltic Military Exercises Begin Near Riga

LD2705093993 Tallinn Radio Tallinn Network in Estonian 0600 GMT 27 May 93

[Text] Estonian-Latvian-Lithuanian joint military exercises begin today at Adazi, near Riga, with one company of 49 men taking part from each republic. From Estonia it is the Kuperjanov One infantry battalion.

Baltic Republics Seek Foreign Aid for Nuclear Power Station

PM2805092193 Moscow IZVESTIYA in Russian 27 May 93 First Edition p 4

[Report by Lenina Kaybysheva: "Balts Ask for Nuclear Power Stations To Be Constructed for Them"]

[Text] What only quite recently could be regarded as a sensation and generate no emotions other than a feeling of protest is today being discussed in a businesslike and completely calm manner: For the Baltic countries, only a nuclear electric power station can be the ecologically cleanest and, therefore, the most acceptable source of energy.

That was the conclusion reached by the governments of Lithuania, Estonia, and Latvia. They have asked the governments of Russia, Sweden, Britain, and France to draft plans for a safe nuclear electric power station [AES] for them.

Excited meetings and pickets at the entrance to the Ignalina AES in Lithuania, insulting remarks addressed to the operators, attempts to prevent them from getting to work—only very recently did all this vigorous activity on the part of the "greens" make a considerable impression on passersby. Nor did the AES workers feel like joking. The point was that a nonoperational AES requires constant control, not less but perhaps even more than an operating one.

The construction of the third reactor unit of the Ignalina AES was suspended soon after the Chernobyl tragedy. At the time it was, to some extent, possible to understand the mentality of the "greens": The same high-power pressure-tube reactor operates in Lithuania as at Chernobyl, only it is 50 percent more powerful. It is true that the Lithuanian reactor is of a later generation and, therefore, improved and safer. But nonetheless it is a high-power pressure-tube reactor. Somehow the Ministry of Atomic Energy's announcement that there had been an inspection at all domestic AES's and that some improvements had been made back in the summer of 1986 was not accepted. In subsequent years a very great deal has been done to increase the safety of reactors of the high-power pressure-tube variety and at the same time of the water-moderated water-cooled reactors.

Over these years, draft proposals have been elaborated for several versions of reactors of the new generation with a yield of 500 and 1,000 megawatts. They are based on a reactor of the water-moderated, water-cooled type which is most common in our country and abroad. The priority requirement for any version is safety. The new reactors are designed to have three containment structures each for different purposes, and between them, systems for localizing waste if an accident still occurs. So-called deeply echeloned shielding is envisaged, preventing gross deviations from the reactor's operation procedure. In the opinion of the planners, these reactors are better than their foreign counterparts.

"The Russian Ministry of Atomic Energy has accepted the Baltic governments' suggestion and is prepared to take part in joint developments or on a competitive basis with any specialists," Ye. Reshetnikov, deputy minister for atomic energy, said.

What led the Baltic leaders to this decision, an unexpected one even to them? Harsh reality and realistic

accounting. They do not have their own coal, oil, or gas here. Shale cannot be included among clean fuels—a stream of smoke extends from the Estonian state regional electric power station and cleansing installations make electricity generation approximately 50 percent more expensive. As a result, the Baltic states were faced with the threat of an energy famine and, as we know, famine is a hard taskmaster. A choice has to be made: either to reduce life's comforts by comparison with life today or, conversely, to improve comfort and sell the surplus energy. But it is still unclear what funds the Baltic states intend to use to construct enterprises as expensive as nuclear power stations. But that, as they say, is a problem for the customers. The problem for the Russian leadership is not to sell them too cheap, still less to offer them free, as was the case in the past.

Baltic Assembly Presidium Session Begins

LD2705104293 Riga Radio Riga Network in Latvian 0900 GMT 27 May 93

[Text] A session of the Baltic Assembly Presidium began at the Supreme Council this morning. The situation on the eve of the elections in Latvia, as well as the situation in Lithuania and Estonia after their elections, will be discussed at the meeting.

Latvia's possible admission to the Council of Europe is also to be discussed. Lithuania and Estonia have recently been admitted to this European organization.

The Baltic Assembly session is taking place in light of the upcoming conference of the Baltic Sea states at the level of parliamentarians, scheduled for Warsaw 3-5 June.

Russia Promises Troop Withdrawal From Baltics by End of 1993

LD2605144893 Tallinn Radio Estonia International Service in Estonian 1200 GMT 26 May 93

[Text] At the spring session of the North Atlantic Assembly the Russian representative Sergey Stepashin said that Russian troops will be withdrawn from the Baltic states by the end of the current year, on condition that an agreement to this end is concluded, and that Estonia will pledge to bear the material expense. Otherwise, in Stepashin's opinion, the troop withdrawal may be delayed until the end of the first quarter of next year.

Armed Forces Logistics Committee Holds First Sitting 26 May

LD2805104693 Almaty Kazakh Radio Network in Russian 0400 GMT 28 May 93

[Text] The first sitting of the Committee for Rear Logistics under the CIS Joint Armed Forces commander in chief was held on 26 May. Representatives of the central logistics organs from the defense departments of Azerbaijan, Armenia, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Russia, Tajikistan, and Uzbekistan participated in the sitting. During the sitting, as ITAR-TASS correspondents reported, held at the Center for Public Information under the commander in chief of the CIS Joint Armed Forces, the main principles of material and technical supplies of military inspectors' groups and collective forces for maintaining peace in the CIS was discussed. An Exchange of opinions on ways of organizing interaction between the staffs and logistics services of the CIS Armed Forces took place.

Economic Chiefs Discuss Foreign Economic Relations

LD2705145893 Moscow ITAR-TASS in English 1324 GMT 27 May 93

[By ITAR-TASS correspondent]

[Text] Moscow May 27 TASS—A second meeting of the council of chiefs of the foreign economic ministries of countries participating in the agreement on cooperation in foreign economic activity will be held in Almaty from May 31 to June 1.

Most important questions of the settlement of commercial and economic relations among countries participating in the agreement are on the agenda of the conference, ITAR-TASS learned from the press service of the Russian Ministry of Foreign Economic Relations. These questions deal with the rules of defining the origin of products; generalised principles of harmonising tariff and non-tariff regulation of foreign economic activity; the principles and organisational proposals for multilateral overseeing of exports of raw materials, equipment, technologies and services; exchange of information on foreign economic activity; organisational matters (the setting up of working groups of the council of chiefs of foreign economic departments, debating of the timeframes and plans for their work), etc..

It is expected that the meeting will be attended by chiefs of the foreign economic ministries of Armenia, Belarus, Kazakhstan, Moldova, the Russian Federation, Uzbekistan, Ukraine.

Sergey Glazyev, chairman of the council of heads of foreign economic relations departments of the Russian Federation, will preside over the meeting.

Russian-Ukrainian Talks End; No Gas Price Agreement Reached

LD2705152993 Moscow Ostankino Television First Channel Network in Russian 1400 GMT 27 May 93

[From the "Novosti" newscast]

[Text] Russian-Ukrainian governmental talks have ended in Kiev. Agreements have been signed on reciprocal supplies of precious metals and on cooperation in military equipment. However, the sides were unable to reach agreement on prices for gas supplied from Russia.

on paying off technical credits, or the mechanism for the functioning of foreign economic links.

ITAR-TASS Carries Press Review for 28 May

LD2805060993 Moscow ITAR-TASS in English 0520 GMT 28 May 93

["Press Review"—ITAR-TASS headline]

[Text] Moscow, May 28 (ITAR-TASS)—President Yeltsin's speech at the session of the Presidium of the Russian Council of Ministers is in the focus of attention of the Moscow morning press.

According to ROSSIISKIE VESTI, the president stressed that "the most important task today is to make the national economy more socially-oriented". So far as inflation is concerned, he pointed out that "the objectives of the anti-inflation policy should be realistic.

KRASNAYA ZVEZDA points to Yeltsin's concern over the bringing down of the government's activity of late. It quotes the president as saying that "the economic situation gives no grounds for complacency". At the same time, it singles out the fragment from the president's speech, which says that "the current situation makes it possible to be optimistic, even if it is cautious optimism, of the morrow."

The newspaper carries an interview with Colonel General Vladimir Shlyakhtin, Russian deputy security minister and commander of the Frontier Guard Troops. According to Shlyakhtin, the mission of Frontier Guard Troops today is not only to protect Russia's state border, but also to protect some sections of the outside borders of Georgia, Armenia, Tajikistan and Kyrgyzstan. This is the result of changes in the geopolitical situation during the past several years, when the frontier guarding and the customs control systems were actually disrupted, while the length of the frontiers of Russia and the former USSR remained the same—some 60,000 kilometres. At the same time, the strength of the Frontier Guard Troops was reduced by 30,000.

KOMSOMOLSKAYA PRAVDA frontpages the ruling of the Russian Constitutional Court which says that the resolution of the ninth congress "on measures to ensure freedom of speech at state television, radio broadcasting and news services" is constitutional by its content and at variance with the fundamental law, so far as the procedure of its adoption is concerned.

NEZAVISIMAYA GAZETA publishes an article dealing with the two draft constitutions. In the opinion of its authors, the draft constitutions submitted by the president and the constitutional commission proclaim the right to work and "forget to mention a very important thing, namely the fact that it means the obligation of the state to ensure for an individual not only the right, but also a possibility to make his living by work."

PRAVDA publishes an interview with People's Deputy Vladimir Isakov, chairman of the Public Committee for the Protection of the Constitution and the Constitutional System. He said that the committee was going to hold an All-Russian Constitutional Conference on June 3 in order to discuss measures for preventing "the anti-constitutional coup", i.e. the adoption of the president's draft constitution.

TRUD and other newspapers set forth Aleksandr Rutskoy's statement. He said that his rights of the Russian vice president were being restricted. This manifests itself, among other things, in depriving him of a possibility to receive at his Kremlin office representatives of political and public movements and parties, Russian and foreign citizens and journalists.

Mayak Plant Ships First Load of Plutonium to U.S.

LD2805084893 Moscow ITAR-TASS in English 0607 GMT 28 May 93

[By ITAR-TASS correspondent Yevgeniy Tkachenko]

[Text] Chelyabinsk May 28 TASS—The former super-secret nuclear defence plant "Mayak" shipped the first batch of radioactive plutonium-238 to the United States thus beginning to implement a five-year long contract with the US energy department.

Russian radioactive isotopes produced at the first Soviet nuclear enterprise in the Urals are of a higher quality than the US ones, contain more plutonium which allows to decrease the weight of space satellites.

The radioactive materials of the "Mayak" are known in over 40 countries of the world and have recently received an award of the EC manufacturers in Madrid.

The collapse of totalitarianism opened to the world the former super-secret object which produced the first Soviet a-bomb and nulcear charges for modern missiles. US experts got a chance to visit "Mayak" and arrived to a conclusion that it is more profitable for them to use Russian radioactive isotopes in space research.

Scientist Sees U.S.-Russia Military Plot

MK2705115493 Moscow MOSKOVSKIYE NOVOSTI in Russian No. 22, 30 May 93 (signed to press 25 May) pp C10, 11

[Interview with V.S. Mirzayanov, doctor of chemical sciences charged with disclosing state secrets, by Leonard Nikishin; place and date not given: from the "Court" column: "Disarmament or Modernization?"]

[Text] [Nikishin] Vil Sultanovich, what charge has been leveled against you?

[Mirzayanov] Frankly, I was surprised by its wording. In fact, a totally new charge has been leveled against me. Until now I have been charged with revealing state secrets about the links between the developers and producers of chemical weapons; that is, between the All-Union Scientific Research Institute for Defense Chemical Technology and the related plants, as well as information concerning the links between the developers and the testing sites. These charges were dropped, but in their place a new charge was formulated (in the presence of prosecutor V. Buyvolov), that I have disclosed information constituting state secrets "in the sphere of the latest scientific and technical advances in the interests of the country's defense." In addition, I, in the opinion of the prosecutors, have also divulged information "about the directions of R&D work in the interests of national defense," in other words, about the creation of binary weapons. Experts say that my information corresponds to reality, since a new substance has been created—and on its basis a binary chemical weapon. The indictment is based on the provisions under paragraph 56 of the "Provisional List of Information Constituting State Secrets," which went into effect as of 1 January 1993.

This paragraph talks about "the results of targeted R&D programs" that constitute a state secret.

The prosecutors point out that I have revealed absolutely secret information to Professor Lev Fedorov, and that in conjunction with him we have published these data in MN [MOSKOVSKIYE NOVOSTI] and also reported them to a BALTIMORE SUN correspondent and published an article in that newspaper.

We also read the list of state secrets of 1980 and the departmental list of state secrets of the Petrochemical Industry Ministry of 1991.

[Nikishin] But Russia has signed an international convention on stopping the development, production, and testing of chemical weapons. They only have to be destroyed step by step. What possible state secrets could be involved then?

[Mirzayanov] Why are you surprised? Security Ministry investigator Shkarin at an interrogation on 13 May suddenly showed me and my lawyer the 30 May 1993 Council of Ministers decree signed by Chernomyrdin which said that information about research projects on chemical weapons, their makeup, and technology that were conducted earlier are referred to as state secrets. It was this decree that was used by the experts since the "Lists" do not contain a single word about poisonous substances or chemical weapons. Colonel Funygin, an expert from the general staff, tried to prove, however, that the word "ammunition" contained there incorporates chemical weapons, but this assertion holds no water.

[Nikishin] Excuse me, but how it is possible to accuse you of revealing information in September 1992 based on a Council of Ministers decree of March 1993? This is pure nonsense....

[Mirzayanov] That was precisely why it was adopted. You do not understand? Now the experts on my "case" are saying that this decree "clarifies" paragraph 56 of the "Provisional List."

Of course, I lodged a protest on that count, but is it my personal fate that is involved here? This is a total discrediting of Russia in the eyes of the world community! A legal foundation is being created for a new spiral of chemical armaments. The question arises: How is it possible to destroy chemical weapons if everything that has been done so far is declared a state secret?

I am ready to go to prison if only people in this country and the world community understand what they are dealing with: our military chemical complex is not even thinking of disarming itself—it only wants to get rid of the old junk.

[Nikishin] Only recently, however, an international conference on chemical disarmament was held in Moscow and was welcomed by the president himself. Did you and Professor Fedorov take part in it?

[Mirzayanov] You must be joking.... IZVESTIYA made a mistake in this case. B. Garrett from the United States, a member of the organizing committee of that conference, came out with the initiative to invite Professor Fedorov and myself so as to give us the floor. The top generals rejected that initiative out of hand: "That would not be conducive to the smooth running of the process." Nonetheless on 20 May Sebia Hawkins, a coordinator from the U.S. Greenpeace Pacific movement, told the conference that she would not be able to leave Moscow with a clear conscience without protesting the arrest and persecution of Vil Mirzayanov, and imagine, one U.S. delegate was concerned whether that statement was not too sharp....

[Nikishin] I remember how carefully the West was picking and choosing words to express protests to Brezhnev and his entourage over the harassment of dissidents....

[Mirzayanov] Of course, as far as our generals are concerned, it is like trying to get blood out of a stone. Valeriy Menshikov, a member of the organizing committee and deputy chairman of the Russian Supreme Soviet committee on ecology, also interceded on my behalf and also met with a unanimous rebuff. This is hardly surprising, given that the organizing committee included chiefs of main directorates, generals, such scientists as Kabachnik and Fokin, who received Lenin Prizes for developing chemical weapons (the actual work, however, was done by other people).

Yet I am not sorry since no really serious problems were discussed at the conference—it looked more like a show.

[Nikishin] And yet clearly the "chemistry" generals are enjoying full support of the Russian Government....

[Mirzayanov] Yes, I also think so now. In the past I had some illusions. I have the impression that it is not Yeltsin who controls them, but they control him. Otherwise why would put his authority at risk?

[Nikishin] Presumably, there are some "ulterior" motives involved here?

[Mirzayanov] There certainly are. There is a kind of "agreement" between the military-chemical complexes of the United States and Russia. The Americans employed in the military-industrial complex have found themselves out of job, and they need orders. At this point our generals raised the clamor about Russia's not being able to cope with destroying the chemical weapons on its own and that it would need at least $600 million to do so. They intend to get this sum from the United States via Yeltsin, and the chances are that they will get it since the money will go for orders for the U.S. military-industrial complex to work out technology to eliminate chemical weapons in this country, but this "elimination," as conceived by the generals (in Cheboksary, for instance, there is a plant producing phosphorous-organic pesticides), would make it possible to preserve and upgrade the production of binary chemical weapons. This is the aim—to finance the dismantling of obsolete stocks and to continue manufacturing binary weapons....

We have something to work on; we have developed a new substance whose formula is being kept secret from the "outsiders," and there are semi-finished products. Who can oversee all this? Now do you understand the meaning of the 30 March 1993 Russian Council of Ministers decree?

[Nikishin] Have you familiarized yourself with the case file?

[Mirzaynov] I have not even begun yet. A whole mass of problems are involved. Most of the documents cited are classified. In the course of the investigation several times more has been "disclosed" than I have "divulged." The "lists" that I was shown are also top secret, and they are extremely comprehensive. They say, for example, that information about the nuclear capacity of the world's leading powers is top secret! Under these regulations any person could be imprisoned for any reason. Moreover, they contain an addition: "And for other actions." In sum, total arbitrariness.

I also noticed manipulation in working with the experts. The abovementioned paragraph 56 of "The List" talks about "targeted programs." Yet the experts struck these words out, leaving in only the phrase "research projects." But even washing the glassware in chemical laboratories could be subsumed under "research." Why was the reference to "targeted programs" omitted? Because none of the experts has ever seen any of these targeted programs. I demanded: Prove to me that what I have written in MN coincides with what is said about targeted programs, and add that to the file. What kind of expert examination would that be without this then?

[Nikishin] Is there really nothing else except your personal courage that could be set against the omnipotence of the "chemistry generals"?

[Mirzayanov] I have had contacts with Aleksey Yablokov, the president's adviser on ecology, and I took part in preparing the presidential statement of 20 April this year on problems of dismantling chemical weapons. Yet this document does not address many fundamental issues, especially insofar as the security of destroying chemical weapons is concerned. My aim was to pacify the population of the Volga region, Chuvashia, Udmurtia, and Tataria, but it has not been achieved. [Mirzayanov ends]

P.S. The president's statement of 20 April says: "Mountains of the now useless and dangerous chemical weapons is the heavy legacy of our past. Russia must get rid of it in the interests of its own security and in the interests of the security of the entire world." Esteemed

Mr. President, what is Vil Mirzayanov going to be tried for then? Recently the scientist has been awarded a prize by the American Cavallo Foundation "For Moral Courage" as a tribute to his contribution to the struggle for eliminating chemical weapons. The presentation ceremony is to take place in Washington on 9 June. But to whom will it be presented?

Vil Mirzayanov himself, who is under investigation, may not leave Moscow. At the same time his wife, who was planning to attend the ceremony in the United States, has been refused a foreign passport. Just like in the good old days....

Opposition Says Sevastopol 'Integral Part' of Russia

LD2705104893 Moscow ITAR-TASS in English 0943 GMT 27 May 93

[By ITAR-TASS parliamentary correspondent Yuriy Filippov]

[Text] Moscow May 27 TASS—"Sevastopol is the major Russian naval base on the Black Sea and must remain an integral part of the Russian Federation", opposition lawmakers said in a draft resolution on the status of the city which is to be considered by parliament and is sure to cause Ukrainian protests.

Opposition lawmaker Sergey Baburin said the parliament will consider the document "in extraordinary and priority order" right after its session resumes. He added that legal formalities can be settled at Russian-Ukrainian negotiations.

Sevastopol is the major naval base of the disputed Black Sea Fleet in the Crimean peninsula which was transferred from Russia to Ukraine by former Soviet communist leader Nikita Khruschev.

Ukrainian military officials have already said that Russian part of the navy which is to be shared between the two former Soviet republics in 1995 will have to move out of Sevastopol as it is impossible for Ukraine to lease a naval base to another state.

The Russian military responded that their warships will remain in Sevastopol.

The current resolution is sure to add oil to fire because it speaks about Sevastopol as Russian territory.

Black Sea Fleet Sailors Feel 'Abandoned'

LD2705220193 Moscow Ostankino Television First Channel Network in Russian 1700 GMT 27 May 93

[By correspondent Vladimir Plotnikov; from the "Novosti" newscast]

[Text] [Plotnikov] Today 165 ships of the Black Sea fleet are already serving under the St. Andrew's flag. They are mainly auxiliary and maintenance vessels, and launches, but will their example be followed by crews of the warships? This is being urged by noisy rallies and pickets mounted by supporters of the Sevastopol National Salvation Front. They are even prepared to sew St. Andrew's flags themselves. However, the main reason for the mutiny lies elsewhere.

The sailors think that both Russia and the Ukraine have abandoned them to the arbitrariness of fate. There are no service prospects and no finance. The captain of a hospital ship earns less than a civilian medical orderly.

[M. M. Shram, captain of hospital ship Yenisey] The vessels are virtually rotting away; they are not being used. Commercial activities are banned. Money is not released for repairs. Material backup is not allocated; no paint, no spares, nothing. We have looked after this fleet with our hands all our lives, and we are sorry for it as it rots and dies. We have decided on this action in order to attract some attention.

[Plotnikov over video of more ships] The Defense Ministry and the Ukrainian Navy command have accused the mutinous sailors of breaking the Yalta Agreement, although previously it was the Ukrainian side that was calling for its annulment. Now Defense Minister Konstantin Morozov is ordering the commander of the Black Sea fleet to restore the status quo on ships that have raised St. Andrew's flags.

Incidentally, the Ukrainian president himself confirmed the other day that the commander of the Black Sea fleet was answerable only to the presidents of Ukraine and Russia. Leonid Kravchuk has expressed willingness to meet Boris Yeltsin over the problem of the Black Sea Fleet. Deputies in Sevastopol have come out in favor of such a meeting, the latest session of the Crimean Supreme Soviet has voted for it, and the sailors themselves expect it. So far there has been no answer from the Russian side.

Commentary on Black Sea Fleet Dispute

LD2705214093 Moscow Mayak Radio Network in Russian 1519 GMT 27 May 93

[Comment by Mayak correspondent Vladimir Plotnikov and Novosti Dyna corrrespondent Vladimir Siminikov; from the "Panorama" program—recorded]

[Excerpt] [passage omitted] [Plotnikov] It is a shame that the situation around the Black Sea Fleet has been so aggravated. At the same time, impolite—to say the least—methods are being used. Literally quite recently, Nikolay Kostrov, first deputy commander of the Ukrainian Navy, on a visit to Bulgaria, where the Black Sea Fleet vessels were undergoing repair, tried to persuade the sailors to transfer to the Ukrainian flag. There is also the Ukrainian Officers' League that very resolutely demanded, well they did not demand, but requested, if one is speaking of the appeal to Ukrainian President Leonid Kravchuk, to consider these mutinous vessels as foreign ships and expel them from Ukrainian territory.

The attempt by the Ukrainian defense minister to give orders to the commander of the Black Sea fleet does not accord with the Yalta Agreement. The Ukrainian president himself, shed light on this matter when he said a few days ago that the commander of the Black Sea fleet is subordinated only to the two presidents and no one else has the right to give him instructions.

Incidentally, Leonid Makarovich Kravchuk agreed that the situation in the fleet required the intervention of both presidents and said that he was prepared to meet President Yeltsin on this matter. I have not heard anything about any response.

[Announcer] Here is Kiev correspondent Vladimir Siminikov with his view of the conflict.

[Siminikov] Nikolay Savchenko, head of the press center of the Ukrainian Navy gave the following assessment of the events of 26 May. I quote: Evidently the Russian leadership has chosen to adopt a tough position over the Black Sea fleet and has begun its unilateral subordination. According to Savchenko, recently the number of sailors wishing to take the oath to Ukraine has dropped sharply because Ukrainian authorities are not defending these officers, and are also paying them only half the wages of their Russian colleagues.

The Ukrainian defense Minister, who a few days ago issued the order to expel from Ukrainian territory vessels of the 171st division that had raised the St. Andrew's flag, on 26 May gave the order not to permit officers to take part in political acts, whipping up anti-Ukrainian sentiments in society, and also to call attention to illegal statements of officers' assemblies leading to the politicization of the officer corps.

Of the major political parties only the Ukrainian People's Movement for Perestroyka [Rukh] that is today one of the largest Ukrainian parties has commented on the latest events. Rukh Chairman Vyacheslav Chernovil, expressed amazement at the silence of Supreme Commander Leonid Kravchuk in this situation.

Undoubtedly, Ukraine's difficult economic situation has affected the development of events at the Black Sea fleet's base. A country that is on the verge of total economic collapse is in no position to offer its defenders a decent wage, and this cannot help but affect the sentiments of the officer corps in whose minds the natural question has arisen: What does an impoverished power want with such a huge fleet?

Admiral Says Naval Structures Must Remain in Baltics

LD2705171293 Vilnius Radio Vilnius Network in Lithuanian 1200 GMT 27 May 93

[Text] Structures of the Russian navy must remain in the Baltic states, said Admiral Igor Kasatonov, deputy commander in chief of the Russian Navy, in an interview to Kaliningrad newspaper STRAZHA BALTYKI. The Baltic Navy must not be pushed into a bottle neck; the more operational space it has then the more significance it gains, the admiral pointed out. According to Kasatonov, at present the Baltic Navy finds itself in a rather strange strategic situation because it has become difficult to organize in full its combat use and its interaction with other arms of service. The solution to the problem of the isolation of the Baltic Navy is seen by the admiral in concluding an interstate agreement with the Baltic states. They are civilized people and they will realize that reality is that our structures have to remain there. This will be beneficial to the Baltic states as well, Admiral Kasatonov said.

NWGF Commander Protests to Estonian President

PM2705124593 Moscow KRASNAYA ZVEZDA in Russian 27 May 93 p 3

[Report by Colonel Igor Golin of Northwestern Group of Forces Press Center: "One Intruder Wounded, Another Arrested"]

[Text] Colonel General Leonid Mayorov, commander of the Northwestern Group of Forces [NWGF], has sent a letter to Estonian President Lennart Meri regarding a group of Estonian citizens' infiltration of an installation under Russian Army guard.

Four Estonian citizens attempted to infiltrate the territory of the NWGF's consolidated artillery supply depots in Tallinn 23 May. The facts attest that the intruders aimed to steal weapons and ammunition. It was only thanks to decisive actions on the part of the guard, Private I. Maykin, that the criminal action was aborted. One of the people involved in the intrusion was injured and another arrested at the scene of the crime. The Estonian police are hunting for the two other members of the criminal gang.

Such criminal actions against NWGF servicemen and installations are contrary to the accords reached at the talks between Russian and Estonian delegations and our meetings with you and the leadership of the Estonian Defense Ministry, the commander's letter says. I ask you to take steps to stop such provocative actions, which exacerbate the situation around units stationed in Estonia and Russian Army military installations. I express confidence that the relevant structures of Estonian organs of power will make the proper assessment of the incident, Col. Gen. Mayorov concludes.

Economic Agreements Signed With Moldova

LD2805101593 Moscow Programma Radio Odin Network in Russian 0730 GMT 28 May 93

[Text] A meeting of the prime ministers of Moldova and Russia has taken place in Sochi. We have signed two documents that will determine our future work, Viktor Chernomyrdin said afterward. There was an agreement on the re-shaping of technical credits for 1992, which

were essentially interest-free, into normal state credits and an agreement on our economic mutual relations with Moldova for 1993. Whereas in 1992 credits amounted to 40 billion rubles, the credit that Russia is granting to Moldova is 1993 is equal to 50 billion rubles.

Georgia Used 'Blackmail' To Recruit Spies in Russia

PM2705142993 Moscow SOVETSKAYA ROSSIYA in Russian 27 May 93 p 5

[S. Shipunova report: "Allegedly Volunteers. Georgian Special Services Recruit Russian Citizens Under Threat of Reprisals"]

[Text] Krasnodar—The Adygea Republic Security Ministry has circulated the following statement:

During the process of implementing counterintelligence measures by the Adygea Republic Security Ministry, specific facts have been uncovered which show that the Georgian Information and Intelligence Service was engaged in recruitment work among Russian citizens isolated in Abkhazian territory controlled by Georgian guardsmen during the period when the Georgian-Abkhazian armed conflict was worsening.

The recruitment of these citizens into covert collaboration was effected through blackmail and the threat of physical reprisals and consolidated by obtaining written commitments alleging that they had voluntarily consented to be recruited, and also by Georgian Information and Intelligence Service personnel who forced these people to compose dictated documents containing information known to be false whose publication, if they refused to collaborate further, could have compromised the agents in the eyes of the public and resulted in grave consequences for them.

The recruits were set the tasks of gathering intelligence information of a military-political nature regarding national movements and social organizations, their leaders, and other information from the North Caucasus region of the Russian Federation and relaying it to the Georgian Information and Intelligence Service. Clandestine means of communication were specified.

Bearing in mind that these Russian citizens consented to collaborate with the Georgian Information and Intelligence Service in what was for them a no-win situation, under threat of physical extermination, and that they undertook no specific actions to execute the tasks they had been set, the question of their criminal liability has not been raised by the state security organs.

The Russian Federation Ministry of Security Directorate for Krasnodar Kray has in turn announced that it possesses similar information about the Georgian special services' efforts.

Military Provisions of Treaty With Tajikistan Outlined

PM2705132593 Moscow KRASNAYA ZVEZDA in Russian 27 May 93 pp 1, 3

[Vladimir Gavrilenko report: "Russia and Tajikistan Still Together]

[Text] A Russian-Tajik Treaty on Friendship, Cooperation, and Mutual Assistance has been signed in Moscow.

This time one was conscious of the particular importance attached to the traditionally formal procedure of signing interstate documents. This stemmed from one factor—this is the first time that Russia and Tajikistan have reached agreement as independent sovereign states. Russian Federation President Boris Yeltsin particularly pointed this out in his speech after the signing ceremony. "The practice of subordinate relations between the 'older' and 'younger' brother, between the center and the 'provinces,' a practice humiliating to national dignity, has become a thing of the past," he stressed.

The treaty and the seven documents accompanying it will regulate the whole spectrum of relations between the states. In their speeches the heads of state particularly singled out the section of the treaty devoted to the military sphere of cooperation and the defense of southern borders. [Tajik Supreme Soviet Chairman] Imamali Rakhmonov was very frank and sincere: "The presence of the Russian 201st Motorized Rifle Division in Tajikistan is a guarantee of peace and security in the republic. Were it not for the 201st Division, the victims of the civil war would have run to about 1 million people rather than tens of thousands." I think that pretty much the same can be said about the role played by Russian border guard troops in this region.

The states that have solemnly agreed to cooperate in order to strengthen peace and boost global and regional stability and security must of course back up their intentions with military guarantees. The treaty makes provision for cooperation in the sphere of defense and ensuring joint defense and military-technical policy, including funding military programs and military orders. In the event of an act of aggression being committed against one of the sides, they will offer one another the requisite assistance.

The recent tragic events in Tajikistan posed the problem of the legal status of Russian troops and border guards. This treaty has defined and enshrined this status. During the transitional period, until the republic's armed forces are formed, Russia's troop units will remain on Tajik territory, in their former bases, with all available combat hardware, weapons, and munitions in their hands. They are led and supervised by the Russian Defense Ministry in conjunction with the Tajik Defense Ministry.

The treaty indicates that Tajikistan delegates the right to guard its borders together with Russian and CIS borders to the Russian border troops during the transitional

period and until its own border troops are formed. It was stressed that the border troops will perform their commitments under the treaties with neighboring Afghanistan and China, which are still in force, while coordinating their actions to safeguard the republic's borders with the Tajik leadership. The republic in turn ensures the safety of the Russian military and border troops and their performance of their official duty.

The documents signed also lay down guarantees of the political and legal rights of the Russian military, border guards, and their families and do not evade social and everyday life problems. These include questions pertaining to the funding of their lives and activity, entry to and exit from the republic, their exercising their wish to remain in Tajikistan after service, provision of housing, pensions, and other kinds of social and everyday life services.

A brief report offers no opportunity to list everything on which the sides reached agreement. It only remains to point out one thing—the military section (including that pertaining to the defense of borders) of the Russian-Tajik Treaty on Friendship, Cooperation, and Mutual Assistance enables Russian citizens to live and serve there far from home, fully manifesting their lofty professional qualities and retaining the honor and dignity of citizens of the Russian Federation.

Military Collaboration Questioned

MK2705113093 Moscow NEZAVISIMAYA GAZETA in Russian 27 May 93 p 1

[Igor Rotar report: "Is Russia Being Drawn Into Another Unnecessary War? Treaty With Dushanbe May Turn Into Another Afghanistan"]

[Text] The treaty between Russia and Tajikistan signed on 25 May is undoubtedly a remarkable event for both states. What are the pluses and minuses the signed documents give Moscow and Dushanbe?

Tajikistan's benefits are fairly evident. Even in the years of stagnation, subsidies from the center accounted for a significant share of the republic's budget. Now Tajikistan's economy, ravaged by civil war, is effectively unable to survive on its own.

Another momentous, and new, benefit for Dushanbe is a document on military collaboration. Virtually all Russian servicemen in Tajikistan are saying confidentially that the main force fighting back the Tajik opposition is the armed forces of the metropolis. This was fairly frankly confirmed by Tajik Speaker Emomali Rakhmonov, who said after the documents were signed that Tajikistan would have been nonexistent had it not been for the help from Russia and Uzbekistan.

The signing of the treaty offers another important benefit to Dushanbe. Before its conclusion, the republic's authorities were afraid to take overly "tough actions" with regard to their internal enemies. Now this snag has been removed. According to the wife of Bozor Sobir, a well-known Tajik poet, who is now a political prisoner in his country, she was sent a word from the speaker: "You have no hope. One of these days we are going to sign a treaty with Russia. Afterward we will have the opposition leaders shot on the square."

So, the strengthening of contacts with Russia is extremely helpful for Tajikistan. Probably it was no coincidence that a "disinformation" report was circulated the other day claiming that Tajikistan was planning to join the Russian Federation as an associate member. It cannot be ruled out that Moscow and Dushanbe were thus sounding out a reaction from the world community.

Russia, though, stands to gain much less from the new document. Generally speaking, Moscow's reliance on the new regime is understandable. Russia's political interests in Tajikistan have two key aspects: the protection of the state border and the situation of the Russian-speaking population. This was effectively confirmed by Boris Yeltsin, who said after the signing ceremony that Afghanistan had a territorial interest in Tajikistan and expressed his hope that the situation of the Russian-speaking population in the republic was returning to normal. Indeed, Tajikistan's new authorities suit Russian interests: they are sincerely interested in tightening control on the border. As for the second issue, Tajikistan alone among the former USSR republics allowed dual citizenship and gave Russian the status of the second official language.

This benefit, however, has its dark side, too. Russian servicemen insist that the current situation in Tajikistan is a mirror image of what was going on in Afghanistan: Russian troops are in the valleys, and guerrillas, including Afghans, in the mountains. Afghan war experience is unlikely to draw conflicting assessments. At present, Russia, having signed a document on military collaboration, is being drawn deeper and deeper into a new war that is absolutely alien to it.

Foreign Ministry Concerned About Developments in Guatemala

LD2705171993 Moscow ITAR-TASS in English 1559 GMT 27 May 93

[Text] Moscow May 27—Moscow is viewing with understandable concern the latest developments in Guatemala, including the dissolution of its bodies of legislative and judicial power and the lifting of constitutional guarantees, the Russian Foreign Ministry said in a statement circulated today.

The statement expressed hope that Guatemala would take prompt and effective steps to overcome the crisis and ensure conditions which would guarantee the basic human rights and freedoms.

Russia proceeds from the assumption that the achievement of these objectives is possible only through a constructive dialogue of the leading political forces. This

is the only approach which will allow the Guatemalan leadership to count on support from the international community, including Russia.

State Supports Draft on Funding UN Forces in Cyprus

NC2705170893 Paris AFP in English 1553 GMT 27 May 93

[Excerpt] United Nations, May 27 (AFP) - Russia has agreed not stand in the way of a draft resolution that calls for a mix of voluntary and mandatory contributions to finance the UN peacekeeping force in Cyprus.

Russia used its veto last month to block a resolution that would have made UN member countries share the 47 million dollar annual bill for maintaining the UN Force in Cyprus. Russia's quota would have been 1.9 million dollars.

But Russian Ambassador to the United Nations Yuliv Vorontsov said Wednesday [26 May] his country would not oppose a modified version of the draft resolution that offers a compromise.

"There will be no veto," he said.

Under the modified version, he said, "the majority of the contributions should be voluntary and a small portion on the regular budget." The text, however, does not specify the proportion of voluntary to mandatory contributions.

Greece and Cyprus have committed to paying more than 50 percent of the cost of the operation, whose future has been put in doubt because several countries have withdrawn their troops from the force. [passage omitted]

Russia Takes Over Soviet Commitments to Vietnam

LD2705143793 Moscow ITAR-TASS in English 1343 GMT 27 May 93

[By ITAR-TASS correspondents Aleksandr Denisovich and Igor Shubin]

[Text] Hanoi May 27 TASS—Russia takes over the commitments of the Soviet side under the agreement between the government of the former USSR and the Government of Vietnam on further cooperation in prospecting and extraction of oil and gas from the continental shelf in south of Vietnam in the framework of Vietsovpetro joint venture, on avoiding double taxation of incomes and property, on air services and sea shipping. These documents, as well as the protocol on commercial, economic, scientific and technical cooperation for 1993 will promote further development of mutually-advantageous economic ties.

A package of bilateral agreements was signed here today at the second meeting of the Russo-Vietnamese intergovernmental commission on commercial, economic, scientific and technical cooperation. A Russian governmental delegation headed by Deputy Chairman of the Russian Council of Ministers Yuriy Yarov participated. The Vietnamese party to the negotiations was headed by First Deputy Premier of the Vietnamese Government Phan Van Khai.

Commenting on the results of the negotiations, Yarov told a news conference on Thursday [27 May] that despite difficulties of the period of transition to the market economy, Russia and Vietnam managed quite rapidly to restore cooperation in various areas that had been curtailed. This gives reason to hope that Russo-Vietnamese cooperation will break fresh ground soon, Yarov said.

He said the sides agreed to hold a regular meeting of the Russo-Vietnamese intergovernmental commission on commercial, economic, scientific and technological cooperation in the first quarter of 1994 in Moscow.

On Friday the Russian governmental delegation will head for the city of Ho Chi Minh to familiarise themselves with the operation of a number of Vietnamese enterprises and Russo-Vietnamese joint ventures, including Vietsovpetro.

Minister Complains of Western Economic Blockade

LD2605214493 Moscow ITAR-TASS World Service in Russian 1450 GMT 26 May 93

[By ITAR-TASS correspondent Oleg Deyneko]

[Text] Moscow, 26 May—"At the present moment it should be stated that the European Community countries, despite the assurances that they support economic reform and Russian exports, are in fact continuing a trade war against Russia," said Sergey Glazyev, Russian minister of foreign economic relations, at a meeting with journalists today. He stressed that discrimination against Russian goods is going on. This applies first and foremost to textile exports to Europe. European Community countries are still refusing to sign an agreement on textiles which would create guarantees with regard to the import of the latter to EC countries. The same can be said of some chemical goods, Russian aluminium, uranium, and services in the aerospace sphere. "In the fields where Russia is competitive, instead of support we are confronted with discrimination on the part of the EC," Sergey Glazyev said.

The minister believes that an opportunity to gain access to foreign markets is a more important factor in the economic reform than financial aid provided by the West. Regrettably, the EC is conducting the talks on Russia joining the General Agreement on Tariffs and Trade in a very reluctant manner and is in fact slowing them down.

Further on Glazyev Comment

MK2705114293 Moscow KOMMERSANT-DAILY in Russian 27 May 93 p 9

[Svetlana Sukhova, Anastasiya Romashkevich report: "News Briefing by Sergey Glazyev. Russia Ready for Trade War With EC Although it Does Not Want it"]

[Text] **Sergey Glazyev, Russian minister of foreign economic relations, stated at yesterday's unscheduled news briefing that the EC's discriminatory measures against Russia should be regarded as trade warfare. Russia will make one more attempt to avoid direct conflict—on 6 June, Boris Yeltsin is officially going to announce Russia's intention to join GATT. GATT's readiness to consider this application would become a new trump card in Russia's dialogue with the EC. Should this argument fail too, and Russia is not begun to be regarded in the EC as an equal partner against whom discrimination is unacceptable, no agreement on partnership with the EC will be signed. Also, Russia is ready for retaliatory measures with regard to the EC.**

According to Glazyev, Russia's application could be considered by GATT already during the upcoming 16 June session. This may become an important trump card during the talks with the EC on the signing of a partnership agreement which is planned in the course of Yeltsin's visit to Denmark scheduled for 18 to 21 June. According to Glazyev, access to EC markets on terms of partnership is more important for Russia than financial aid. A draft agreement on specific commodities has already been drawn up in Moscow. The EC, however, made some amendments in it affecting competitive Russian commodities—steel, aluminum, coal, uranium, textiles, space technologies, and so forth.

As for the discriminatory measures, the EC argues that Russia belongs to countries with a centralized economy, thus GATT principles do not apply to it. Glazyev, however, stressed that in terms of foreign trade, Russia today is perhaps a "country with a more pro-market economy than EC countries:" it uses no federal export subsidies; it has very low import tariffs and quantity limits. As for EC countries that do not tire of harping on aid for reforms in Russia, they are demanding unrestricted access for their companies to the Russian financial market, something, the minister thought, that is not helping reforms.

Russia so far resorts to no extreme measures—retaliatory sanctions against the EC. Moscow hopes that the EC, in the final analysis, drops the discriminatory terms. If this does not happen, no agreement in its present shape would be signed, Glazyev said.

IMF Credit Terms Highlight Need for Government-Bank Accord

PM2705103793 Moscow IZVESTIYA in Russian 26 May 93 First Edition p 2

[Ivan Zhagel report: "Government and Central Bank Have Reached Agreement at Last"]

[Text] The government and the leadership of the Central Bank of the Russian Federation have signed a joint statement whose text will be sent to the IMF to obtain the first half of the $3 billion earmarked for implementing "systemic transformations" in Russia's economy.

Our newspaper has already reported (Nos. 77 and 92) that this kind of credit was thought up at the IMF specially for Russia, not without pressure from the G-7. The IMF usually gives money only if a particular country fulfills a number of quite tough conditions in the sphere of budget, financial, and tax policy. Russia is not yet able to cope with such conditions, but it is nevertheless in dire need of the money. This was why the specialized IMF credit of $3 billion was "born."

But the IMF also makes its receipt dependent on certain conditions. Although in this case they are incomparably "softer." On the other hand, the proposed credit, unlike many others received by Russia in the recent past, is without strings, so to speak, and can be used not to buy food and panty hose but to promote real transformations in our economy.

You might have thought that such favorable terms for receiving currency credit should have prompted the government and the Central Bank leadership to respond as quickly as possible to the tempting offer, but the text of the joint statement setting forth mutual intentions with regard to reducing the budget deficit and curbing the rate of inflation took a whole month to come into being.

You get the impression that this work was carried out almost from scratch and that there had been no economic programs before or that these programs were so different in the government and at the Central Bank that it was very difficult to bring them together. I believe that such confrontation and such inability to seek and find mutual compromises are simply inadmissible in the present crisis situation in the country. The problem of cooperation between the Central Bank and the government is clearly overdue and requires the speediest resolution.

It should also be pointed out that the agreement which has been reached enables Russia to obtain practically without delay only the first half of the $3 billion credit. If, however, this money is not used to support the reforms but once again gets "eaten up," we will not get the second half at all. So cooperation between the government and the Central Bank must be not symbolic and diplomacy must be really serious.

INTERFAX has reported that the Central Bank has already expressed a wish to define more precisely a number of figures in the technical supplement to the joint statement. According to a spokesman for the Bank of Russia, this is because precise data on the Central Bank's balance have appeared only now, and so it is necessary to make some corrections. At the same time the bank spokesman emphasized that all the points and figures contained in the joint statement will remain unchanged. May God grant this.

NATO Organs Discuss Yugoslavia, European Security

PM2705141793 Moscow KRASNAYA ZVEZDA in Russian 27 May 93 p 3

[Mikhail Pogorelyy report: "Far From Spring-Like Concerns for NATO Bloc"]

[Text] Despite the time of year, the working sessions of a number of NATO leadership bodies are by no means full of the sentiments of spring. That is understandable since the continent is still on the brink of war. At least a sizeable part of it—the Balkans—is. None of the plans for settling the conflict proposed thus far has won the all-out, unequivocal approval of the parties involved and, consequently, a solution has not hitherto been found.

It is therefore not surprising that the situation in the former Yugoslav republics was discussed at both a session of the North Atlantic Assembly in Berlin and a joint session of the Military Planning Committee and the NATO Nuclear Planning Group in Brussels. However, for all its significance and importance, the specific situation is not the only problem that NATO parliamentarians and military leaders tried to resolve. Europe will, after all, quite possibly encounter crises like these in the future too.

In this connection the fundamental stance espoused by the bloc's military leadership was set out by General John Shalikashvili, NATO supreme allied commander Europe. The North Atlantic alliance's military structures could, according to him, undertake peacekeeping tasks. However, the United Nations cannot simply set NATO these tasks since the military bloc is not the instrument of the United Nations or the CSCE, say. The political content of the peacekeeping actions should of course be determined by these prestigious international organizations, but they must be coordinated with NATO.

The link between NATO membership and problems of European security was the subject of discussion once again when proposals regarding the bloc's expansion—by Poland, the Czech Republic, and Hungary joining—were examined. This proposal did not meet with support from the Atlanticists, who realize that the disruption of the current balance (when other states such as Russia, Ukraine, and so on are left "out of it") may have long-term complications. One should rather—and this was the view supported by Sergey Stepashin, leader of the Russian parliamentary delegation to the Berlin forum—talk about closing the gap between the NATO and CSCE mechanisms working on security.

NATO military chiefs also voiced concern at the sessions of the leadership organs over the material and technical aspect of peacemaking activity. In their opinion, it may prove ineffective if the current manifest trend to reduce spending on defense is consolidated. Needless to say, this trend was objectively promoted by the disappearance of the "Eastern threat." However, peace can sometimes only be ensured by using force, Gen. Shalikashvili said in particular. Peacemaking actions require the participation of increasingly large contingents of servicemen, and the expenditure involved in this activity will rise accordingly. Obviously, legislative organs of NATO member countries do not always take this into account, in the general's opinion. However, last year alone the number of servicemen involved in peacekeeping forces rose ninefold, from 10,000 to 90,000 men.

The NATO Nuclear Planning Group is also expected to examine the problems of nuclear arms on the continent, in particular the preservation of unified control over the former USSR's arsenal and the prevention of nuclear arms proliferation among the new states of Europe.

Constitution Issues

Yeltsin Meets With Heads of Local Administrations

Rules Out Congress' Adoption of Constitution

LD2805082193 Moscow ITAR-TASS in English 0710 GMT 28 May 93

[By ITAR-TASS correspondents Ivan Ivanov and Gennadiy Talalayev]

[Text] Moscow May 28 TASS—Russian President Boris Yeltsin rules out that a new national constitution can be adopted by the conservative Congress of People's Deputies.

Addressing heads of Russian regions of Friday [28 May] he said there are three possible variants of adopting the new basic law: "By the constitutional assembly, referendum or a newly-elected parliament".

According to acting constitution a new basic law can be adopted by the Congress of People's Deputies or at a referendum.

The president told the meeting which assembled to discuss the constitutional reform that a delay in the adoption of the constitution "is fraught with dangerous consequences - a dictatorship or a collapse of Russia".

The new constitution is called "to help overcome anarchy, preserve the Russian unity and integrity", he added.

The constitutional conference convened on June 5 to add the finishing touches to Yeltsin's draft constitution should not turn into "something like a congress or political debate", the president said, adding that he will fix strict procedural rules for the meeting.

He nominated Sergey Alekseyev, a co-author of the presidential draft constitution, as the chairman of the constitutional conference.

Yeltsin criticised the Congress for ignoring the constitution which makes it no longer legitimate to speak about acting in the framework of the constitution.

"The latest congress of people's deputies showed how easily and irresponsibly the basics of the constitutional system, the principles of people's power, federalism and human rights are ignored. To pretend that everything is in order, to keep repeating the invocations about the constitutional field in the given conditions is nothing but legal shamanism", he said.

The constitutional conference will have to decide on the way of adopting the new constitution, but Yeltsin warned that he is radically against entrusting the task to the Congress of People's Deputies.

"Personally I am sure that the Congress, no matter how hard they try to convince me, will not adopt the constitution" as it leaves no room for the current supreme legislature, the president said.

The work on the draft constitution is entering its final stage in June, however the constitutional conference convened on June 5 will not last for one day, according to the president.

Yeltsin said he would address the first meeting of the conference which is to elect the chairman. Then the conference will split into six sections which will finalise the draft. Yeltsin said over 800 remarks and proposals to the draft had already been received by now.

"During the work of the constitutional conference we have to create a single text of the draft. Work on the new constitution is an organic part of the activities of the president. Confidence voted at the referendum means trust to this work as well. That is why the presidential draft will be the basic one submitted for consideration of the constitutional conference", Yeltsin said.

He called on the regional heads to support strong presidential authority in the country. "Russia needs a truly strong authority. No reforms can be implemented without it. There will be no flourishing Russia without a strong authority", the president said dispelling fears that strong authority is tantamount to dictatorship. "Strong authority has nothing to do either with arbitrariness or dictatorship", he stressed.

The president said he would insist that "the democratic formula of Russian federalism" is fixed in the new constitution. "Provisions of the federative treaty should organically go along the constitutional norms. This will be a mighty constitutional guarantee for the preservation of Russian integrity", Yeltsin said.

However, he rejected the demand of several territories and regions for a constitutional right to adopt their own laws. "This is premature", he said.

But the president supported a proposal to increase the powers of Russian regions in determining taxation, financial and other policies. Still he warned that the transitional period to a market economy does not allow to make all subjects of the federation equal in their political rights.

Leaders 'Unequivocally' Support Yeltsin Draft

LD2805110293 Moscow ITAR-TASS World Service in Russian 0847 GMT 28 May 93

[By ITAR-TASS correspondents Ivan Ivanov and Gennadiy Talalayev]

[Text] Moscow, 28 May—The heads of administrations of krays, oblasts, and autonomous entities of Russia, at a sitting under Boris Yeltsin's chairmanship in the Kremlin today, "unequivocally support the presidential draft of the constitution and the idea of a constitutional

conference", said Vyacheslav Kostikov, press secretary of the Russian president, following the end of the sitting of the council of heads of administrations.

He said that during the sitting different viewpoints were expressed in connection with actions within a tactical context—how to hold the constitutional conference and how to act further. The participants in the sitting noted that it is necessary to work dynamically and to hold the constitutional conference within 10 days at the most.

Vyacheslav Kostikov said that with regard to the adoption of a new constitution, "the view has prevailed that it is better to hold a referendum" which would rule out all further attempts at interpreting or disputing its results. The participants in the sitting said that the holding of the referendum should not be delayed, inasmuch as forces exist in the country which might attempt to delay this process indefinitely. In particular, September- October or even July were suggested as dates for holding the referendum. "The participants in the sitting did not adopt any decisions in this connection and confined themselves to a discussion of this issue," Vyacheslav Kostikov said.

The participants in the sitting adopted a statement in which they stress that "the realization of the Federation Treaty and the implementation of the constitutional reform are a single and interlinked process." The heads of administration state that "the Constitution of the Russian Federation is meant to guarantee the preservation of the integrity and unity of multinational Russian statehood, to ensure the process of transition to a fully fledged Federation and genuinely democratic system in Russia, and a balanced development of its various regions in the conditions of carrying through economic transformations".

"The revival of Russia as a state with a socially oriented market economy, a developed federal system, and a democratic political regime, based on the principles of the power of the people, the division of powers, and the observation of human rights and effective state power, built on the principles of a presidential republic, developed parliamentarianism, and independent judicial authorities, must be the result of the adoption of the constitution".

The statement stresses that "the peaceful overcoming of the power crisis, the protection of the principles of people's power, federalism, the division of powers, and the safeguarding of human rights are only possible by the undelayed fulfillment of the constitutional reform, the first stage of which is convening the constitutional conference." The statement also speaks of the need for the government, when the constitutional conference ends, to draw up, without delay, a package of necessary normative acts which develop the statute of the Federation Treaty in the political, economic, and socio-cultural sphere, to ensure their effective practical implementation, and to provide for the equality of rights among all subjects of the Federation in the socio-economic sphere and in the sphere of safeguarding human rights.

Paper Publishes Council of Republics Statement

MK2705093093 Moscow NEZAVISIMAYA GAZETA in Russian 27 May 93 p 1

[Unattributed report published under "Document" rubric under general headline: "Heads of Republics Issue 'Constitutional' Ultimatum to President. Krays, Oblasts Demands Equal Rights With Ex-Autonomies. Boris Yeltsin Seems Likely to Support Them"]

[Text] Yesterday, prior to the conference of heads of the Russian Federation's republics in Moscow, the latter issued a political statement on procedures for preparing, discussing, and adopting the new constitution of the Russian Federation and the mechanism of implementing the Federation Treaty.

"(...) Concerned about the current socio-political situation in society over the question of adopting the new constitution of the Russian Federation and in connection with unwarranted neglect for the demands to speed up the elaboration of mechanisms for implementing the Federation Treaty, we deem it necessary to state the following:

"1. Undelayed finalization of the package of draft laws and decrees of the Russian Federation Government ensuring the implementation of the Federation Treaty is an obligatory condition for the continuation of the work to prepare the new constitution of the Russian Federation.

"In this process, in particular, the following must be given a clear-cut definition: the notion and status of a Federation component; interaction between the power bodies and administrations at the federal, regional, and local levels; the system of managing the economy and ensuring the viability of the Russian Federation during the transition period; the structure of the state's financial system with due account for the above-mentioned levels; the rights and responsibilities of the bodies of state power and administration for areas of activity placed under their jurisdiction, as well as actions obstructing their execution. The mechanisms for implementing the Federation Treaty must be equal to the declared federative structure of the state based on a free and voluntary association of the peoples of sovereign states and territories incorporated into the Russian Federation and taken into account in elaborating the new Constitution of Russia.

"2. The constitutional method of elaborating and adopting the new Constitution of the Russian Federation is possible only on the basis of a special law on procedures for its preparation, discussion, and adoption.

"With the aim of accelerating the adoption of the new constitution, the preparation and adoption of this law should be carried out within one month.

"3. We support the procedures for organizing the work on the requisite draft laws as presented in the draft law of the Russian Federation president, submitted for consideration to the heads of the republics on 14 April 1993."

The document was signed by heads of 16 republics (out of 20). The leaders of Adygeya, the Republic of Altay, Bashkortostan, Buryatia, Dagestan, Ingushetia, Kabardino-Balkaria, Kalmykia—Khalmg-Tangch, Karelia, Komi, Sakha-Yakutia, the North Ossetian SSR, Tuva, Udmurtia, and Khakassia have approved it in full. Eduard Kubarev, chairman of the Supreme Soviet of Chuvashia, has approved all except item 2.

'Statement' Denounced as 'Forgery'

PM2705161793 Moscow IZVESTIYA in Russian 28 May 93 First Edition p 1

[Aleksandra Lugovskaya report: "The Republic Heads' Ultimatum—A Forgery Aimed at Disrupting the Constitutional Conference"]

[Text] Presidential Administration Chief Sergey Filatov has described the political statement by the Council of Heads of Republics within the Russian Federation published 27 May in ROSSIYSKAYA GAZETA [see 27 May Central Eurasia DAILY REPORT pages 25-26] and NEZAVISIMAYA GAZETA and disseminated via "Nega" Agency channels, which bore 16 signatures and which was allegedly adopted by them the day before (26 May), as a gross forgery.

Sergey Filatov told me in a short telephone conversation that the aim of the said publication of this item is to discredit the president's constitutional initiative on the eve of holding the Constitutional Conference, scheduled, as we know, for 5 June.

The presidential administration chief calls the Bashkortostan branch of the ITAR-TASS Agency a channel of disinformation—this is now the second time it has been spotted by him in "this unseemly business." Sergey Filatov believes that these efforts are not coincidental but are directly linked with the "good relations" between Supreme Soviet Chairman R. Khasbulatov and Bashkortostan Supreme Soviet Chairman M. Rakhimov. The genuine statement by the Council of Heads of Republics differs radically from the one published in the two Russian newspapers and bears no relation to the menacingly ultimatum-like text of the forgery. Moreover, the genuine article does not carry the republic heads' signatures—this was agreed during yesterday's sitting, as the stenographic record testifies.

Vyacheslav Volkov, deputy chief of the presidential administration, considers the fact of the false document's publication outrageous. In his words, V. Chernov, leader of the administration's organizational department and responsible for preparations for the sitting of the Council of Heads of Republics which took place 26 May in the President Hotel, who attended that sitting from start to finish totally rejects both the existence of such a "document" and its discussion. However, A. Orgenov, staffer at the presidential press service, reported that the "Nega" Agency set about disseminating the forgery as soon as the sitting ended.

In the light of the still incomprehensible but already notorious incident, the presidential press service intends to hold a whole series of talks and consultations, and this includes with the heads of republics who supposedly signed this "document," for the purposes of identifying the circumstances of its appearance, dissemination, and publication.

ROSSIYSKIYE VESTI Version

PM2705202193 Moscow ROSSIYSKIYE VESTI in Russian 28 May 93 p 1

["Statement by the Council of Heads of the Republics of the Russian Federation With the Participation of the Leaders of Regional and Interregional Associations of the Russian Federation"]

[Text] In order to ensure the effective implementation of the Federal Treaty, the conduct of a balanced regional policy, and the successful implementation of constitutional reform in the Russian Federation we state that:

1. The implementation of the Federation Treaty and constitutional reform is a single process. The implementation of the Federation Treaty can only be ensured by its organic combination with the new Russian Federation Constitution.

We believe that the Russian Federation Constitution is meant to guarantee the continuing integrity and unity of multinational Russian statehood and safeguard the process of transition to a full-fledged Federation and genuinely democratic system for Russia, and the balanced development of the various regions of Russia in conditions of the implementation of economic transformations.

2. The peaceful surmounting of the current crisis of power, the establishment of genuinely federal relations, and the protection of the principles of people's power, the separation of powers, and human rights constitute the essence of the constitutional reform that is being conducted and guarantee the successful implementation of further state transformations.

3. Relations that are not regulated within the framework of the Federation Treaty may be regulated on the basis of bilateral treaties and agreements between the federal authority and the subjects of the Federation, including the republics that have not yet signed the Federation Treaty. The Russian Federation president, Russian Federation Council of Ministers/Government, and the organs of authority of the republics of the Russian Federation, krays, oblasts, the autonomous oblast, autonomous okrugs, and the cities of Moscow and St.

Petersburg are to take all necessary steps of a socioeconomic and organizational nature to effect the stage-by-stage equalization of the levels of development of the different regions of the Russian Federation.

4. The Constitutional Conference's main task must be to elaborate a single, agreed text of the draft Russian Federation Constitution and also the mechanism for adopting it.

5. We recommend that the Russian Federation president take the necessary steps to prepare a package of legislative acts ensuring the implementation of the Federation Treaty.

6. We consider it expedient for the draft of the new Russian Federation Constitution to preserve the republics' status as laid down by the Federation Treaty. At the same time, the draft must enshrine the principles of equal rights for all subjects of the Federation in the socioeconomic sphere.

Adopted at the conference of the Council of Heads of the Republics of the Russian Federation with the participation of the leaders of regional and interregional associations of the Russian Federation in Moscow 26 May 1993.

Comparison of Yeltsin Speech to Heads of Republics

PM2705105393

Moscow ROSSIYSKIYE VESTI in Russian on 27 May 1993 carries on page 1 a report on President Yeltsin's speech to the heads of the Russian republics in Moscow 26 May. Comparison of the ROSSIYSKIYE VESTI item, entitled "Boris Yeltsin: 'Adoption of New Constitution Will End the Attempts To Revise the Principles of Federalism'," with the Moscow ITAR-TASS English version entitled "Delivers Speech 26 May" published in the 26 May Central Eurasia DAILY REPORT, pages 24-26, reveals the following variations:

Page 24, column two, paragraph four, first sentence reads: Over a year has passed... (omitting previous passages, rewording);

Page 25, column two, last paragraph, last sentence reads: ...federative treaty itself.

[new paragraph] Practically each region... (omitting passage);

Column two, paragraph ten, last sentence reads: ...pact of civic accord.

[new paragraph] The Constitutional Conference... (omitting words);

Paragraph eleven, sentence one, reads: of the federation.

[new paragraph] The improvement of... (omitting passage);

Page 26, column one, paragraph four, sentence three reads: ...will work actively.

[new paragraph] The fourth and last stage is the further establishment of norms in republics. At... (omitting passage, rewording).

Constitutional Conference Preparations Near Completion

LD2805095593 Moscow ITAR-TASS in English 0909 GMT 28 May 93

[By ITAR-TASS analyst Lyudmila Aleksandrova]

[Text] Moscow May 28 TASS—Preparations for the constitutional conference, which, as planned by the Russian president, is to draw up the text of a single draft constitution and determine the procedure for its adoption have reached the final stage.

Most representatives of the executive and representative arms of government, both in the centre and in the regions, back the idea of this conference, but as a purely consultative body without the right to adopt a constitution. An ever increasing number of jurists, political and public leaders express the view that the two alternative drafts—the presidential and the parliamentary —should be combined. They only disagree on the problem of which draft should be accepted as the basis.

The constitutional conference is to be convened on June 5 and will consist of five chambers, as confirmed by President Yeltsin at the May 26 meeting of the Heads of Republics Council. Taking part in it will be representatives from federal government and administrative bodies, government and administrative bodies of the subjects of the federation, public movements and political parties, commodity producers and businessmen, and also from self-government bodies. All in all, it will be attended by about 600 people. It is planned to do most of the conference's work in panels in order to make it more effective.

The draft's discussion at local level has assumed really nation-wide scope. As many as 83 out of the 88 subjects of the federation have taken part in the 20 regional conferences called to discuss both drafts. Head of the presidential administration Sergey Filatov says that these conferences have expressed support to the presidential draft and found it better than the parliamentary version.

On the eve of the conference, both "conflicting sides"—representatives of the executive and representative branches of government—have done much canvassing work in the regions. The president had dispatched his representatives to various regions of Russia. For instance, Vice-Premier Sergey Shakhray, one of the authors of the presidential draft, visited the north-western part of the country, Ryazan region, western and eastern Siberia, and the Russian Far East. He said after his trip that all these regions had, in the main, backed the

presidential draft, although several recommendations were voiced and some of them wanted it to be combined with the draft of the parliamentary constitutional commission.

Parliament Speaker Ruslan Khasbulatov preferred personal visits to various cities of Russia. In Novgorod, for instance, he expressed the view that both versions were "imperfect and required further elaboration". Khasbulatov also had hot line telephone contacts with heads of local representative bodies. Moreover, he resorted to several purely propagandistic steps: he moved, for instance, to slash by 50 per cent the value-added tax, arranged a meeting with veterans, etc.

However, the situation within the Supreme Soviet is rather indefinite. In Boris Yeltsin's view, expressed during the meeting of the Heads of Republics Council on May 26, the leadership of the Supreme Soviet "is lately beginning to display a tendency towards cooperation". True, Filatov later explained that he only meant "several deputies, particularly Vice-Speaker Nikolay Ryabov", who "have decided to embark upon the road of constructive rapprochement with the executive branch of government". Nevertheless, the speaker and his deputy Yuriy Voronin "are continuing to obstruct in every possible way the ongoing preparations for the constitutional conference," he added.

Indeed, Ryabov was the first mp [member of parliament] to "offer his hand" to the executive arm of government by saying it was necessary to take part in the work of the conference. Though preferring the parliamentary draft, he said that it "could not unquestionably dominate the presidential version, because it contains, among other things, some articles that do not suit the subjects of the federation".

As to the parlimentary factions, their assessments of the draft constitution are quite diverse, but almost all of them are ready to delegate representatives to the constitutional conference.

It appears, however, that the key role at the conference will be played by the subjects of the federation, which are by no means unanimous. Thus, Chairman of the Kemerovo Regional Council Aman Tuliyev believes the presidential draft "contains prerequisites for a regime of personal power". However, the criticism of territories and regions mainly boils down to demands for equal rights with the republics in the social and economic spheres. It is not without reason that Shakhray regards as decisive the "problem of equality among subjects of the Russian Federation, the levelling out of the statuses of territories and regions with the statuses of the republics". At the same time, the participants of the Heads of Republics Council have unanimously come out for the convocation of a constitutional conference. The Federative Treaty, in their opinion, must be included in the text of the constitution and the relations that are not regulated by it could be governed by bilateral treaties and agreements between the federal authority and the subjects of the federation.

The constitutional conference is expected to last not less than 18 days. According to member of the Presidential Consultative Council Georgiy Satarov, it is to thresh out the text of the fundamental law and, in addition to this, approve two more documents: a law on the organisation of government during the transitional period, and a law on elections. If the conference approves these documents with sufficient unanimity, the congress, he believes, will be compelled to adopt them, as it had adopted the Federative Treaty.

If the congress turns down the laws and the new constitution, it will be necessary, in Satarov's opinion, to "try a mechanism to liquidate the congress". The plan boils down to the resignation of 350-400 deputies, which will leave the congress without a quorum and will doom it to self-liquidation.

The motley composition of the constitutional conference, the difficulty of the problems it is to tackle, multiplied by the ceaseless confrontation of the authorities and the problem of relations between the federal authorities and the subjects of the federation, make it very difficult to forecast the outcome of its work. Will Boris Yeltsin be able to "conduct" this intricate mechanism just as aptly as he conducted the first Congresses of People's Deputies? Will personal ambitions and corporative interests override the desire to achieve civic concord and overcome the crisis or not? The answers to these questions will be given only by the constitutional conference itself.

Voronin Views Yeltsin's Draft Constitution

LD2705215593 Moscow Russian Television Network in Russian 1445 GMT 27 May 93

[Interview with Yuriy Voronin, first vice chairman of the Russian Federation Supreme Soviet, by unidentified correspondent; place and date not given; from the "Parliamentary Hour" program—recorded]

[Text] [Correspondent] Yuriy Mikhaylovich, in a short time the constitutional assembly will convene. How is the Supreme Soviet getting ready for it, and is it getting ready for it at all?

[Voronin] The Supreme Soviet has expressed its standpoint in no uncertain terms, to the effect that the work on developing and adopting the new constitution should be conducted within the framework of the current Constitution, within the constitutional field we have today. I am speaking about the Constitutional Commission, about the Supreme Soviet, and the congress which is to adopt the constitution. This is not a formal, so to speak, approach to the new constitution since today the media are talking of two constitutions—one, they say, has been prepared by the Supreme Soviet and the other by the

president. But if we look at the matters realistically, both of these constitutions have been proposed by the chairman of the Constitutional Commission, the chairman of the Russian Federation, Boris Nikolayevich Yeltsin. So it is not at all clear to me which two constitutions are being meant.

Moreover, I can tell you that in the process of drafting the version approved by the Sixth Congress the Constitutional Commission included in it all the useful and interesting points from 20 alternative constitution drafts—20 alternative drafts! All suggestions made by the subjects of the Federation were taken into consideration here. Of course, I am aware that drafting a constitution is a long process and, naturally, some further changes will continue being introduced into the draft approved by the Sixth Congress, until the very last moment when the constitution is adopted.

Now to the constitutional conference. You have perhaps noticed that the entire argument at the Supreme Soviet session began in connection with this word constitutional. If the constitutional field, the Constitutional Commission, is what we are talking about, then the members of the Supreme Soviet did not object to expanding it by including experts and representatives of the subjects of the Federation, but only within the framework of the Constitutional Commission. As soon as you or I announce a constitutional conference or assembly, in doing this we involuntarily violate the Constitution and laws now in force. Therefore, there are now being held Supreme Soviet sessions in republics and sessions of kray and oblast soviets which are considering issues connected with the constitution drafts. That is, the constitution drafts of the Constitutional Commission chaired, I reiterate, by our president and the alternative version recently put forward by the president. Which of these versions will be adopted by the Supreme Soviets of the constituent republics of the Russian Federation, the kray and oblast soviets, is hard to tell at this stage. But where these forums have already been held, everyone mostly agrees that the two drafts should be merged together.

[Correspondent] How can there be any trust in either of the constitution drafts? Take the United States; it has existed for 200 years and their parliament has adopted some amendments in these 200 years, but only very minor ones. Yet the Supreme Soviet is endlessly adopting some amendments all the time. Could you please explain—perhaps these amendments could be done without?

[Voronin] Regrettably, it so happened for historical reasons that in the years since the Revolution of 1917 we have adopted new constitutions more than once. Whereas, as you have correctly pointed out, the United States adopted their Constitution 200 years ago and have been cautious about introducing amendments to it ever since.

As for us, well, we adopted a Constitution in 1924. We adopted a Constitution in 1936. We adopted a Constitution in 1977. Now there is a new Constitution. If one looks at the stages or the periods when these constitutions were adopted, then whenever a new leader arrives, he arranges a new constitution to suit himself. I think that is totally unacceptable, and particularly unacceptable for a state such as Russia. So, if we had, right from the outset, made certain amendments to the present Constitution, we would not have found ourselves in a constitutional crisis today.

I do not see anything bad in amendments being made to the present Constitution. After all, if one compares the Constitution of the United States and that of the Russian Federation, then, first, the Constitution of the Russian Federation is ideologized, whether we want it or not. That ideological wrapping should, of course, have been removed. This cannot be done in a single moment. You and I have been living in one set of political and socio-economic conditions. Today we say that, since we are in the civilized world, as is usually claimed, we must make just such a constitution. So I see nothing bad in certain concrete amendments being made to the present Constitution. After all, at the moment, very many amendments are being made by other developed countries in the world, and both the Constitution and the actual political and socio-economic situation in those countries are probably none the worse for that. The fact is that life must oblige us to make certain modifications.

Recently, you know, there was a meeting of heads of republics forming part of the Russian Federation. The meeting was chaired by Boris Nikolayevich, and I must say that only two of the 20 republics championed the view that we needed to adopt a new constitution. I, for one, agree with that idea because, given the difficult economic situation in which we find ourselves today—a crisis situation, it is hardly necessary, for the sake of the people, to adopt some new constitution. What is needed first is to extricate the country from the situation in which we find ourselves. So I am surprised at the president and his entourage. After all, when addressing both the Seventh and Eighth Congresses, Boris Nikolayevich said: Let us make 1993 the year of the economy. Let us try to see that it is stabilized and extricated from the crisis. We have had enough political squabbling, as it were. Yet that policy continues, and I think that the new constitution has been thrown in not because it is really new, but in order to divert our electors from thinking about the position in which they find themselves today, and to politicize the economic process.

[Correspondent] But people from Boris Nikolayevich Yeltsin's team are actually saying that because the Supreme Soviet constantly hinders the adoption of a constitution, all of our economy is coming apart at the seams and collapsing. Is that right?

[Voronin] You know, I disagree categorically with such an approach. But, first, I am not very keen, as it were, on

what you called the entourage. In fact, the entourage are basically former people's deputies.

As soon as they moved from the Supreme Soviet and from being people's deputies to Boris Nikolayevich's entourage, they began to sing a different song. I do not think this does them much credit. Just look, when they are asked what sort of a society we are building today and who it is meant for, those people—the former people's deputies from Boris Nikolayevich's entourage—say: We are building it for our grandchildren. But wait a moment, what about those who live today? Aren't we conducting this reform with the help of our Russian citizens? I most strongly disagree with this manner of putting things. It is fully possible today to implement the economic reform in a competent way. The only thing we need is to take into account not just our own opinions, but also those of the people around us, the experts who tell us that a new approach to implementing the economic reform is necessary.

[Correspondent] Since we have just mentioned economic reforms, I would like to ask you the following question. You were quite recently appointed coordinator for drafting new laws—the latest, you know, on taxation and on currency. How are you getting on with the drafting?

[Voronin] Yes, since Supreme Soviet Chairman Ruslan Imranovich Khasbulatov proposed this initiative—and, generally speaking, the initiative did not originally come from him but from the entrepreneurs with whom I have had many meetings lately—we have got together several times and set up a working group, and we are in the middle of this work today. You may have noticed that Vice Premier Fedorov was also asked this question at the 21 May session of the Supreme Soviet, and Fedorov gave a totally unequivocal answer to the second question [as heard] to the effect that he too was in favor of a single currency, the ruble, circulating in Russia, and that he had been advocating this idea for a long time. I think that we will find common ground in this matter quite easily. As for reducing taxes by 50 percent, there should be a differentiated approach to this. I think that here we will also be able to find a way to resolve this issue. No one has any doubt that taxes must be brought down—without this we will not succeed in making our entrepreneurs more active and in helping the economy towards stability and out of the crisis.

[Correspondent] If that is so, what will happen to our budget. Will it stand all this, or not? Where will wages and salaries come from? Boris Nikolayevich Yeltsin promised a pay increase to many people before the referendum—to doctors, teachers, and so on. Where should the money come from if taxes go down?

[Voronin] You know, of course I understand that many people see the issue of forming the revenue part of the budget from the point of view of the present moment—here are the taxes we have today, we collect them and they form the revenue section of the budget. But the point is, how can we speed up the process of stabilization and bringing Russia out of the crisis? To do this, it is necessary to draw an many entrepreneurs as possible into economic processes.

Whether we like it or not, world experience shows that, if taxes are raised too high, then entrepreneurs start to evade payment of them. They will get round them anyway. So a tax should be such that it stimulates the development of production and does not allow profits to be concealed from the state. So, if that dividing line is found, and it is quite hard to find it, things will be no worse for the economy.

Ryabov on Constitution's Draft, Adoption

PM2705131193 Moscow KOMSOMOLSKAYA PRAVDA in Russian 27 May 93 p 1

[Interview with Nikolay Ryabov, Supreme Soviet deputy chairman, by Andrey Podkopalov and Stanislav Stremidlovskiy, under the "Disturber of the Peace" rubric; place and date not given: "Ryabov Does Not Want To Run for Speaker"]

[Text] Nikolay Ryabov, a deputy chairman of the Russian Federation Supreme Soviet, suddenly found himself at the center of political passions. While his only claim to fame hitherto was his extremely tough speech at the Eighth Congress of People's Deputies, in which he criticized the actions of President Yeltsin and the government, he surprised many people when he firmly backed the president's idea for the Constitutional Conference and effectively entered into confrontation with Ruslan Khasbulatov. Many people in parliament believe that, by so doing, Ryabov has "paved his way into the presidential heaven."

[KOMSOMOLSKAYA PRAVDA] Nikolay Timofeyevich, have you really been offered a post on the president's staff [pri prezidente] or in the government?

[Ryabov] In my view these rumors emanate from parliament itself. At a recent session of the Russian Federation Supreme Soviet I had the opportunity to tell deputies that I am not going to leave parliament of my own volition.

The real reason for my stance lies in the referendum results. At the referendum the people expressed more confidence in the president than in the corps of deputies. Of course it was not my aim to split parliament. You simply have to assess where you stand in the new political conditions. The corps of deputies has not exhausted its potential. The deputies could perfectly well take part in the Constitutional Conference and in the elaboration and coordination of the draft Constitution and the preparation of a new electoral law. After the adoption of the new Constitution they could resign. Then it could be said in general that despite this the parliament played a positive role.

[KOMSOMOLSKAYA PRAVDA] Do you personally like the path of adopting the new Constitution which is actively being discussed—via the Constitutional Conference and then possibly the Constituent Assembly and a referendum? In other words, a path which makes it possible to bypass the Supreme Soviet?

[Ryabov] It is possible of course that the Constitutional Conference will not work. But it represents virtually all strata of society today and is elaborating a draft new Constitution as a kind of social contract. It is clear that the president has set himself the aim of creating a document which unites the vast bulk of people and social groups.

The necessary stage after that is the nationwide discussion of the draft Constitution.

[KOMSOMOLSKAYA PRAVDA] So that, as before, there will be a great many publications in the press and masses of letters from working people? Do you seriously think that constitutions are made this way?

[Ryabov] This will help to give the draft the necessary degree of legitimacy. Thus this is the most important stage in the preparatory campaign. Clearly everything must be formulated in the corresponding legal documents. The problem then is the procedure for the adoption of the new Basic Law.

The procedure must be designed so that the Constitution is adopted in a coordinated way by the congress and the components of the Federation. This will remove the question of the congress' monopoly right to adopt the Constitution according to the scheme proposed by Ruslan Imranovich [Khasbulatov]. There is no need for the congress to examine the draft in detail article by article, section by section, and chapter by chapter. Why hold a Constitutional Conference and nationwide discussion? So that the draft can then be changed beyond recognition at the congress?

[KOMSOMOLSKAYA PRAVDA] You speak about the importance of the participation of the components of the Federation in the process of adopting the new Constitution. But will the upshot not be that, in the struggle for their votes, both the parliament and the president will make the kind of incredible promises that will bring Russia to ruin if we try to keep them?

[Ryabov] Of course, there is a great danger of that. This danger increases in parallel with the number of divergences there are between the positions of the president and the parliament. Like it or not, what happens in such a situation is that the rights of the federal authority are bartered away in favor of the regions.

[KOMSOMOLSKAYA PRAVDA] Does your acceptance of the president's idea for the Constitutional Conference not mean that you accept his draft new Basic Law too?

[Ryabov] No way! Anyway, you cannot rigidly state that one draft is the main one and the other should be discarded. I cannot say that the president's version is ideal. The parliament's version also has its good points. The only way is to elaborate a single draft which will include all the very best features.

[KOMSOMOLSKAYA PRAVDA] On the subject of early elections before the completion of the constitutional reform—do you have in mind only the reelection of the deputies?

[Ryabov] I favor the reelection of the representative power and the executive. However this should not be a one-shot act. It all needs careful study and there cannot be any deadlines without that.

[KOMSOMOLSKAYA PRAVDA] What has your relationship with Ruslan Khasbulatov been like since your demarche?

[Ryabov] Well, you could see his reaction on television. I am his deputy and am obliged to avoid questions of that sort: Expressing disrespect for your leader is tantamount to disrespect in yourself.

Ruslan Imranovich has undoubted achievements in modern Russian history. But the contradictory nature of his official position, combined with the complexity of the tasks facing parliament and his difficult character, produced the phenomenon of the "speaker of the Russian parliament."

But if you are talking about Ruslan Imranovich today, it is all encapsulated in the phrase: "What you are saying is correct so I will not interrupt you."

[KOMSOMOLSKAYA PRAVDA] Do you see yourself in the role of chairman of the Supreme Soviet?

[Ryabov] Definitely not.

Regional Leaders Want Single Constitutional Draft

PM2705122193 Moscow ROSSIYSKIYE VESTI in Russian 27 May 93 p 1

[Roza Sergaziyeva report: "Interviews in the Corridors"]

[Text] "The Federation Treaty must form the basis of the Russian Constitution"—that is the view that Akhsarbek Galazov, chairman of the North Ossetian Soviet Socialist Republic Supreme Soviet, expressed in the corridors at the conference [of heads of the Russian republics in Moscow 26 May]. "In the draft presented by the Supreme Soviet, the whole text of the Federation Treaty has been watered down and in some places emasculated. In the president's draft the Federation Treaty forms an appendix. But that, too, is intolerable." The main point that Akhsarbek Galazov stressed is that the Constitutional Conference to be convened in Moscow should prepare one draft Constitution based on the existing two. Then it should be submitted to the republic supreme soviets and the kray and oblast soviets for discussion. After that a law on the mechanism for the

adoption of this Constitution should be adopted. Without deepening or expanding the confrontation which has developed between the representative and the executive branches of power.

President Mintimer Shaymiyev of Tatarstan spoke in the same vein. Literally on the eve of the conference of republic leaders a session of the Tatarstan Supreme Soviet examined the question of the draft new Constitution. "We came to the conclusion," the president said, "that it is necessary to continue work on the Constitution using both drafts. That is the most sensible thing to do."

So the final consultations are over. Everyone and everything is ready for 5 June—the opening day of the Constitutional Conference. And as the president stressed, we are open to cooperation and the search for compromise. The heads of the republics do not want confrontation either: They want a single draft based on the two that have been offered.

Opposition Creates Committee To Defend Constitution

MK2705110093 Moscow NEZAVISIMAYA GAZETA in Russian 27 May 93 p 1

[Irina Shkarnikova report under the rubric "In Brief": "Conference Season Opens"]

[Text] Gennadiy Sayenko, leader of the National Salvation Front; Sergey Ivchenkov, people's deputy of the Russian Federation Supreme Soviet; Stanislav Terekhov, head of the Officers Union; Aleksey Prigarin, leader of the Russian Communist Workers Party, together with other deputies and representatives of public and political organizations have founded a Committee in Defense of the Constitution and the Constitutional System, which is to hold its constitutional conference on 3 June.

According to members of the organizing committee, the conference is supposed to pass a resolution reflecting the views of the opposition parties and movements, defense of the old draft constitution, the rights of a congress of people's deputies to adopt a constitution, and it will also specify measures of both parliamentary and extraparliamentary opposition.

Ispravnikov on Prospects for Constitutional Conference

MK2705124693 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 27 May 93 p 1

[Interview with Vladimir Ispravnikov, Supreme Soviet deputy chairman, by Mikhail Gurevich; place and date not given: "Landscape on the Eve of a Battle. Legislators Should Act as Island of Peace-Loving"]

[Text] The president and his supporters are not the only ones who are getting ready for the Constitutional Conference.

The speaker has mooted the idea of convening another Congress of People's Deputies. As if we have long not seen them. According to Khasbulatov adviser Artur Chilingarov, all the people's deputies have been called upon to attend a meeting in Moscow to discuss when the next congress should be convened and "the development of the constitutional process."

Your correspondent approached Vladimir Ispravnikov, a newcomer among Supreme Soviet leaders, with a number of questions. Ispravnikov became deputy chairman of the Supreme Soviet at the Ninth Congress. Two months have not yet passed since then. They say that his office had been formerly occupied by Ivan Silayev. Who of the parliamentary head's deputies sat there, Ispravnikov does not know.

[Gurevich] An interesting situation has currently emerged in the parliamentary leadership. Some people say that Ruslan Khasbulatov enjoys virtually no support among his closest allies.

[Ispravnikov] Ryabov, Abdulatipov, and Sokolov have only stated their viewpoints with regard to the constitutional conference. On the other hand, I very much regret that these different viewpoints emerged at a Supreme Soviet session, although there is a procedure under which approaches to this or that subject could have been agreed upon.

[Gurevich] Let us try to agree upon an approach to the key subject of the present day—a new constitution of the new Russia.

[Ispravnikov] I am convinced, and I have not changed my stance, that the adoption of a new constitution should take place according to a legitimate and lawful procedure set forth in the current Constitution. Whereas it could (and should!) be discussed by using various means and methods.

[Gurevich] What do you mean under "lawful procedure?"

[Ispravnikov] There are a number of ways. The first is to have a constitution adopted by the Congress of People's Deputies. The second possibility is a referendum. There may be another way —the Supreme Soviet, upon reaching agreement with the president, would adopt the so called "small constitution"—a number of basic laws that will form the groundwork of the "large constitution"—the laws on elections, on federal authorities, and on public movements and parties. On this basis we should hold simultaneous elections of the president and the federal parliament, which would adopt a new constitution.

[Gurevich] When, in your view, could such elections take place?

[Ispravnikov] At the end of this year or at the beginning of the next year.

May any constitutional assembly or conference adopt a constitution? Yes, if the Congress of People's Deputies—a legitimate body at this stage—makes a decision to that effect.

A precedent is being set in society that the Fundamental Law may be adopted as anyone pleases. And what if different people come to power, who would say that this constitution was adopted illegally, and replace it with a communist one? We should not set a precedent of lawlessness in society.

[Gurevich] But do the deputies intend to attend the constitutional conference?

[Ispravnikov] It is up to each of the deputies whether he or she attends it or not. In my view, the problem is elsewhere—in the status of the conference. If this is a conference to prepare a draft constitution, to merge all the proposals into one draft...

[Gurevich] This is what seems to have been planned.

[Ispravnikov] ... then it is one thing. Then it should have been called accordingly—a conference to prepare a draft constitution. And if it is designed to adopt it as well—the deputies do not have the right to attend it. The congress should make a decision regarding their participation.

[Gurevich] After the referendum results were announced, Sergey Shakhray said that the incumbent people's deputies do not have a moral right to engage in constitution-making. Do you share this view?

[Ispravnikov] Of course not. I do not share it absolutely. For the third and fourth questions were also constitutional, and the voters did not vote for a new parliamentary election...

[Gurevich] But what we are speaking about is a moral right...

[Ispravnikov] If we start speaking about moral rights, do you know what complaints could be made about members of the government and some politicians from this point of view? There should be one moral principle in a state: the supremacy of law.

[Gurevich] Will you stand for reelection to the federal parliament at the elections you have just spoken about?

[Ispravnikov] I think I will, because I believe that I have gained enormous experience in this regard. I have many interesting plans. I like to work in parliament. A strong executive branch—yes, a strong judicial branch—yes, but also a strong legislative branch.

[Gurevich] After this conversation you will be opening a tae kwon do club sponsored by the Supreme Soviet. Who will be working out there, the deputies?

[Ispravnikov] No, not the deputies, but Moscow schoolchildren. However, it would not have done the deputies any harm, either. Master Jhoon Rhee told me: "Currently, you do not have any ideology at all. Let it be at least the 'philanthropic' ideology like what I have." He is in charge of the U.S. Congress' physical training; similar schools and centers exist in many parliaments throughout the world, because legislators should unequivocally act as an island of peace-loving...

Constitutional Court Deputy Chairman Interviewed

PM2805101093 Moscow IZVESTIYA in Russian 26 May 93 First Edition p 5

[Interview with Dr. of Juridical Sciences Professor Nikolay Vitruk, Constitutional Court deputy chairman, by observer Yuriy Feofanov; place and date not given: "Law and Politics in Echelons of Third Power"]

[Text] [Feofanov] In my opinion, the two "first" powers are now concerned not so much with the contents of the drafts of the new constitution as with the method of adopting the Fundamental Law. The ways and means of achieving the goal are, maybe, the most painful question. Not that the goal is the least question either. I wanted to ask you, Nikolay Vasilyevich, about the "presidential draft." They are endeavoring to "dilute" it with compromises. Does this draft, in your view, really enshrine the new doctrine? If it does, will its core not vanish as the result of compromises?

[Vitruk] The new doctrine is for the creation of a civil society and a rule-of-law state. This is in general. In every state, doctrine is implemented with due regard for historical experience, traditions, and culture. The president's draft models a kind of organization of the Russian state which takes the conflict between the powers, above all, into account. The conflict cannot be quenched without a strong power. Let scientists argue about the merits of the presidential, semipresidential, or any other form of power. I am surprised that the draft submitted by the president was seen as an attempt to establish a dictatorship. It is not, however, the juridical integument that gives rise to dictatorship, for this is possible with any form of rule. Hence the danger of compromises. The draft constitution must be adopted as a whole (or rejected as a whole). It is possible to improve the draft only after recognizing it as an integral, systemic document embodying a definite concept for building society and the state. Therefore the proposals to combine the president's draft and parliament's strike me as unproductive.

[Feofanov] It is maintained that both drafts coincide and that "the differences concern only individual details." I started counting up the contradictory articles in the constitution: "If Article 104 were removed," "if the president could dissolve parliament, and parliament

dismiss the government," "if amendments to the constitution merely on someone's say-so [popravki k Konstitutsii s golosa] were ruled out," "if..."—in short, I began to draw up a whole list of these "ifs." If you compare the two drafts, are the differences so insignificant?

[Vitruk] The president's draft clearly designates a model for the separation of powers within the framework of unified state power. The president is the head of state and has, as it were, been placed outside the three powers; he acts as the guarantor of the constitution and of human rights, as an arbiter who uses the conciliatory procedures provided for by law. If this does not help, then the judiciary comes into action. It is strange, to say the least, to perceive the president's omnipotence in these powers of his. Presidents in the United States or France, in the FRG or Italy are not accused of being dictators, although they have similar powers.

Unfortunately, the well-known scientists G. Shakhnazarov, S. Shatalin, and V. Nikonov interpret the draft too freely in RABOCHAYA TRIBUNA and NEZAVISIMAYA GAZETA. Yes, the president does appoint some officials, while he recommends others. So what? This is the generally accepted practice in parliamentary republics. Yes, the president dissolves parliament in cases provided for by law. So what? This too is the practice in not only presidential but also parliamentary republics (the FRG, Italy). This is the legal method of resolving conflicts between the legislature and the executive. Why does it arouse such fury among opponents, including scientists whom you would not suspect of being ignorant of the fundamentals of constitutional law?

[Feofanov] We live at a time when many stereotypes are being broken. Obviously, a shock operation is also inevitable in the state structure. The people have supported the economic reforms, despite all their painfulness and despite all the mistakes made. Will they support the breaking of the state? Particularly the abolition of the soviets. It is easy to eliminate them. But what would replace them? Do you believe, Nikolay Vasilyevich, that the system of local power is prescribed sufficiently convincingly in the "presidential draft"? Given the disorderly nature of political life and the parties' weakness, a counterweight to the local "boss" ["voyevoda"] is nonetheless needed. How does the "presidential draft" look from this viewpoint?

[Vitruk] The crux of the problem is not the elimination of the soviets as representative organs but their omnipotence at the expense of so-called administrative, i.e. managerial functions. The present constitution is unacceptable precisely because, while proclaiming the separation of powers, it confirms the omnipotence of the soviets. Every case that has been examined by the Constitutional Court attests to this contradiction. Every time, we are obliged to investigate scrupulously whether or not the soviets exceeded their powers. Frequently it is hardly possible to get to the bottom of this.

Is the system of local power prescribed convincingly in the draft? I believe that it should not be prescribed in detail in the federal constitution. It is important to establish the basic democratic principles. But the subjects of the federation themselves must decide on local self-management.

I will say more. Since the drafts under discussion contain many coincidences, while there are also differences, it would be more rational now to adopt a "little constitution," i.e. a constitutional law on relations among the three branches of federal power, and to limit ourselves to this for the time being; this is what was done in Poland in the past.

[Feofanov] In my opinion, People's Deputy Viktor Sheynis has very accurately revealed our present situation—"inflation of statehood." Unfortunately, the Constitutional Court has not—excuse me—become a stabilizing institution and has gotten too carried away with politics. I do not wish now to say what I think about these politics. The question is different: On the one hand, to what extent does the "presidential draft" guarantee the independence of the entire "third power" and, on the other, to what extent does it limit its political pretensions? Will the "judicial office" not become an arena of political battles, instead of preserving the positions of an objective arbiter? In general, what would your attitude be to this norm: If you are a political fighter, take off your judge's gown?

[Vitruk] In respect of the judiciary I would call the "presidential draft" traditional, for it contains guarantees of independence known in world practice. The idea of a Higher Judicial Office is original. I see nothing reprehensible in it. The fact that it is necessary to give careful thought to the powers is another matter. It seems to me that the office could examine disputed cases, when the higher court bodies themselves ask for an explanation of a norm of law or a constitutional assessment of the practice of applying the law. This would remove the problem of competition between the Constitutional Court, the Supreme Court, and the Higher Court of Arbitration.

"As for politics," this is, of course, a complex question. The law prohibits a court from resolving political questions and judges from engaging in politics. But life is life. The political convictions, sympathies, and antipathies of every judge play a part in shaping his position. But sympathies and thoughts are one thing, and actions are something quite different.

Unfortunately, it has become almost the norm for Constitutional Court Chairman V. Zorkin to appear in the mass media and to make political statements and assessments at meetings of various kinds. The constitutional judges are dismayed at the chairman's participation in political actions—constantly with the selfsame political leaders, moreover. Is this a coincidence? More likely a "general line." Judge for yourself. The Seventh, Eighth,

and Ninth Congresses of People's Deputies. At approximately this time the Constitutional Court was examining the cases of the CPSU and the National Salvation Front; a conclusion on the president's appeal was being given. Under these conditions the Constitutional Court must be outside politics. But it was turned into a political club, if not to say a staff. The chairman had a series of meetings with representatives of political parties and movements, of business circles, and of commercial structures; some meetings were clandestine.

You, incidentally, have written that the Constitutional Court chairman made a civil move by appearing as a politician at the Seventh Congress. This was a case of exceeding his powers, which you praised and we tacitly approved. But there was more to come. The chairman began speaking on political issues, on which the judges had not given him authority to speak. Unfortunately, the mass media pass off the chairman's viewpoint as the viewpoint of the whole Constitutional Court. But what does it cost to ascertain this before printing it?

A final example, connected with the draft of the new constitution. Chairman Zorkin declared that "the Constitutional Court cannot overlook yesterday's television appearance by the country's president" (KOMSOMOLSKAYA PRAVDA 8 May 1993); "the court will not overlook certain points in Yeltsin's program which appear debatable." But the judges did not discuss this question or formulate their position. There was not and could not be anything like this. Our chairman knows theoretically that the Constitutional Court judges are equal, independent, and speak in a private capacity and that the chairman is not the sole boss. But theory and law are evidently one thing, whereas politics and ambitions are something quite different. Of course, your question is legitimate, and the answer is unequivocal: If you want to be a politician, take off your judge's gown.

The chairman's passion for delivering political homilies to the president and other political leaders is damaging the authority of the Constitutional Court as an organ of justice called upon to be the legal arbiter in resolving a conflict. The mass media are not always objective. But it is also hard to rebuke them if they interpret facts of the Constitutional Court chairman's rostrum activity. For they are facts.

[Feofanov] Let us return, however, to the draft, Nikolay Vasilyevich. All the previous constitutions contained declarative articles of a social nature: the right to housing, the right to work, etc. But what are these rights if a person cannot realize them or protect them with a court action? But the present drafts of the constitution, including the president's, have not avoided declarations either.

[Vitruk] So-called economic and social rights are enshrined in the International Pact of Social, Economic, and Cultural Rights. Because of this, Russia must recognize these rights and create a system of guarantees and protection. The proclamation of these rights really does contain elements of programs, and realization depends on the state's potential. True, this potential does not exist today, but I do not believe that because of this we should abandon the state's pledges to its citizens.

The European Commission for Democracy Through Law (Council of Europe) is making an expert appraisal of drafts of constitutions and other constitutional laws in Central and East European states. At a plenary session in Warsaw 22 May, as the Russian Federation's representative on this commission, I gave information on the progress of constitutional reform in Russia and on the "presidential draft" of the constitution in particular. The representatives of 10 states (Canada, Belgium, Norway, Greece, Poland, and others) expressed readiness to act as experts on this draft.

Political Issues

Yeltsin Speech to Government Presidium Cited

PM2705173993 Moscow IZVESTIYA in Russian 28 May 93 First Edition p 2

[Report by Vasiliy Kononenko: "President Gears Government to Socially Orientated Reforms"]

[Text] The prime minister was not present at the 27 May Russian Federation Government Presidium session in the Kremlin, but it was chaired by the president. He devoted his opening speech to fundamental questions of the work of the government—which he had not met with for some time—and he said, in particular:

In the referendum our sociopolitical course was supported by most of the politically active population of Russia. What worries me is that the government has become somewhat less active since 25 April. It has gone somewhat soft, which is unacceptable. The situation in the economy gives no grounds for complacency. I would like everyone to observe the following rule: All our decisions must be considered from the main viewpoint, which is to what extent do they implement the policy supported by the Russians?

The most acute period of the crisis is past. Production has kept more or less level for some months. The situation allows us to view the future with cautious optimism. We have not been doing enough about this. And here I must mention the social factor.

Once having started the reforms, we embarked on the path of accelerating the transformations. I am convinced we acted correctly. At the same time, the old social order began to break down very rapidly. The quality of life declined markedly. What is the government to do? On the one hand, it cannot halt the reform; on the other hand, it cannot go on increasing the burden of social expenditure ad infinitum. The major task is to give the economy a greater social orientation. We are not talking about slowing down the reforms but about a new phase of transformations. I am fully aware that resources are

extremely limited and the budget is tight. I realize how difficult it is to combine an effective fight against inflation with a strong social policy. But there is no getting away from this now. The professionals must find effective ways of solving this task.

The president went on to make some stern comments about the fight against inflation. The aim of the anti-inflation policy and the timetable for implementing it must be realistic, he said. It is within our powers to keep to the goals mapped out by the government and make inflation predictable. First and foremost I am talking about the stage-by-stage stabilization of the ruble rate. I have in mind the easing of inflationary expectations, the normalization of savings, and increased investment activity. This is feasible given a tough credit and finance policy, above all with reference to collaboration between the government and the Central Bank of Russia. I believe their joint statement is the first step toward this collaboration. In the fight against inflation much depends on those who are actually raising prices and incomes. I think the conclusion of a national agreement on socioeconomic policy among the government, the entrepreneurs, and the trade unions would be a positive step. Consultations must begin on this matter as soon as possible.

Another key problem, Yeltsin stressed, is structural changes in production. At the moment they are mainly taking place spontaneously and are being determined by the rather weak market that we have at the moment. We have not yet created effective mechanisms for implementing a structural policy.

There were two main items on the session agenda: the draft State Program for the Privatization of State and Municipal Enterprises in 1993 and the organization of summer recreation for children.

Touching on the privatization issue, the president stressed that its main aim is to transfer property to people, and that is the fundamental issue of the reforms. It is necessary to speed up the process of check auctions in the country. This requires a sharp increase in share flotation and a reduction in the number of privatization bans, particularly in the military-industrial complex. Organizational and financial provision must be made for check auction activities. The population needs to be better informed about the facilities that are being privatized. The heads of administrations and the staff of the relevant state bodies are responsible for this difficult job. I think, he said, the time has come to dismiss negligent and unenterprising workers or those who are sabotaging the privatization process.

During the discussion of the privatization program A. Chubays announced that in mid-April this year approximately one-half of small catering, trade, and service enterprises passed into privatre hands. Around 5,000 major Russian enterprises are in the process of issuing shares, and they will be followed by medium enterprises, of which we have several tens of thousands.

The privatization program presented to the government members points out, in particular, that the government must conduct a quarterly review of bans on enterprise privatization. Enterprises engaged in wholesale and retail trade, construction organizations, enterprises processing agricultural products, food and light industry enterprises, mothballed and uncompleted facilities, enterprises involved with motor transport, including cabs, loss-making enterprises, except for TsRB [expansion unknown] and also enterprises responsible for issuing and circulating bank notes and securities, and those run by the Defense Ministry, Security Ministry, and Internal Affairs Ministry have to be privatized.

The session participants made a number of comments on the draft program, in particular in connection with the unclear position on trusts [po trastu]. There was also mention of the problem of delimiting the functions of the State Property Committee and the Federal Property Fund. Culture Minister Ye. Sidorov voiced the fear that some village clubs were being privatized and turned into casinos. We do not want that kind of privatization, he said.

Summing up the debate, Yeltsin stressed that adoption of the program could be a very long process. So two or three edicts are needed to develop it. As for the comments made, it is necessary to set up a commission headed by V. Shumeyko to spend June examining and discussing the document's provisions with the heads of all departments.

More on Yeltsin Speech

PM2705193193 Moscow ROSSIYSKIYE VESTI in Russian 28 May 93 p 1

[Unattributed report: "Boris Yeltsin: 'We Have the Major Task of Giving the Economy a Greater Social Orientation.' From Russian President's Speech at Council of Ministers Presidium Session"]

[Text] The most acute period of the crisis is past. The level of production remains more or less even. The situation allows one to be optimistic about the future. There has been a definite change in the economic mentality. This process is taking place in the private and in the state sector. In general, conditions are taking shape for more stable work by the government. It is becoming possible to think about long-term decisions.

I must mention the social factor. We have now set about accelerating the transformations. At the same time, the old social order has been breaking down very rapidly and the quality of life has markedly declined. On the one hand, we cannot stop the reforms and, on the other hand, we cannot go on increasing the burden of social expenditure ad infinitum. So we have the major task of giving the economy in general a greater social orientation. This is now an issue of realpolitik.

I am fully aware that resources are extremely limited, the budget is tight, and parasitism has by no means been

eradicated. I realize how difficult it is to combine an effective fight against inflation and a strong social policy. But there is no getting away from this and the professionals must consider how this task is to be tackled.

I think the role of state regulation will change. We are talking about targeted state programs relating to food, scientific-technical potential, exports, and other matters, and the state's concern for maintaining a proper living standard. They must replace the practice of agreeing many matters with officials, which everyone is sick of. We are talking about placing the management of state sector enterprises on a commercial footing and about stimulating long-term structural changes and modernizing production and the investment process. State support must be given to those who have a right to expect it, above all the disabled and unemployed.

As for inflation, the goals of the anti-inflation policy must be realistic. I believe it is within our power to keep to the goals mapped out by the government and make inflation predictable. I am talking first and foremost about the stage-by-stage stabilization of the ruble exchange rate, which is now the chief inflationary factor. If we manage to do this at least, we can hope that the economic situation will start to change for the better.

This is feasible as long as there is a sufficiently tough and, most important, coordinated monetary and credit and financial policy. We are talking above all about the government and the Central Bank. We cannot manage without their collaboration in the solution of specific anti-inflation tasks. I believe the joint statement by the leaders of the government and the Central Bank is the first step toward this.

In the fight against inflation much depends on those who are actually raising prices and incomes and generating a destructive inflationary spiral for the economy. A balance must be sought among the interests of those involved in economic life. I believe the conclusion of a national agreement on the content of economic policy, involving the government, entrepreneurs, and trade unions, would be a positive step. Consultations on this matter should begin as soon as possible.

Another key problem of the present stage of the reforms is structural changes in production. They are taking place spontaneously for the most part and are determined by the market—a weak one, unfortunately—we have at the moment. But even in the present conditions we possess large enterprises that are operating smoothly. Civilian production is increasing at defense industry enterprises. The winners are those who promptly geared themselves to consumers' real needs, to stable, effective demand. At the same time, production continues to decline at other enterprises. The economic crisis is increasingly becoming a structural crisis. But even in loss-making sectors there are many enterprises that are tackling their problems successfully.

This is a reassuring factor. It shows that the Russian economy has vast reserves. But the crisis remains and we must get out of it. So we have to make the structural shifts more controllable. It has to be said that we have not yet created an effective means of implementing state structural policy.

The central problem of today's session is the privatization program. The transfer of a considerable part of the state property to Russians is the fundamental question of the reforms. The government, local administrations, and the privatization bodies are faced with the task of launching the check auction process countrywide. The rate of share flotation has to be sharply accelerated. This cannot be done without a reduction in the number of bans and restrictions on privatization. We must change the situation radically in the next few months. In particular, this concerns a number of ministries, including the military-industrial complex.

Financial backup for the check auctions must be intensified. Finally, it is necessary to make the population better informed about the privatization process. Heads of local administrations and staffers of privatization bodies are responsible for providing citizens with full and prompt information on facilities to be privatized and on check auctions. I think the time has come to dismiss negligent and unenterprising workers who are sabotaging the privatization process. At the same time, the government is faced with the task of providing the wherewithal for the check auctions. It is necessary to support—morally and materially—those who are earnestly engaged in this. In Saratov Oblast, for example, a program of accelerated privatization has been adopted.

Privatization is not an end in itself. It is being done to make production more efficient. So we have a vital stake in the new enterprises getting up and running as soon as possible after privatization, in which case what we need right now is a program of postprivatization support for these enterprises. A large proportion of state resources along with Western technical assistance and credits must be used to provide this support.

Now a few words about the second item—summer recreation for children. We have learned last year's lessons. A decree has been adopted in May on urgent measures to stabilize summer recreation for children and adolescents in 1993. A republic fund has been set up. But there are signs from the provinces that resort establishments are not ready to receive children for summer recreation, and it starts 1 June. We must now make every effort to avoid last year's errors. I think such questions must be discussed at our sessions more often, and they must be constantly monitored.

Rutskoy Claims Constitutional Rights Violated

LD2705124193 Moscow ITAR-TASS in English 1204 GMT 27 May 93

[By ITAR-TASS correspondent]

[Text] Moscow May 27 TASS—Russian Vice-President Aleksandr Rutskoy said in a statement on Thursday [27

May] that his constitutional rights are being violated and he retains the right to "undertake such steps, also of the constitutional nature, which may be needed in the emerging situation". He did not elaborate.

Rutskoy protested after he was not allowed to hold a press conference in the Kremlin.

The vice-president qualified the ban to receive in his Kremlin's office public and political figures, Russian and foreign citizens and journalists as contradicting the norms of democratic order, the law on the press and as a direct violation of the Constitution.

Rutskoy, who openly opposed President Boris Yeltsin, was stripped of all his duties, office Mercedes limousine. His staff was drastically reduced. Yeltsin said after he won the vote of confidence at a nationwide referendum that he had lost trust in the vice-president.

On Wednesday after Rutskoy announced a press conference, spokesman of the Russian president said it would hardly take place in the Kremlin.

Media Barred Entry to Kremlin

LD2805112993 Moscow ITAR-TASS in English 1037 GMT 28 May 93

[By ITAR-TASS correspondent Igor Gvritishvili]

[Text] Moscow May 28 TASS—Numerous Russian and foreign journalists, who gathered at the Kremlin Spasskiy Tower Gate today, were not allowed to proceed to Vice-President Aleksandr Rutskoy's office, where he planned to hold a press conference, announced the day before. Kremlin guardsmen told journalists that they had no lists of pressmen to be allowed into the Kremlin.

Andrey Fedorov, the vice-president's counsellor, who appeared before the journalists, said that "head of the presidential administration Sergey Filatov and Commandant of the Moscow Kremlin Mikhail Barsukov had ordered the pressmen not to be allowed into the Kremlin to meet the Russian vice-president".

On the same day, Rutskoy issued a statement noting, specifically, that the "head of the presidential administration and chief of the central guard department had dared prevent the vice-president from receiving representatives of socio-political movements and parties, Russian and foreign citizens, and pressmen in his Kremlin office, which contradicts every norm of democratic law".

Filatov Argues for 'Democratic Coalition'

PM2705101193 Moscow IZVESTIYA in Russian 27 May 93 First Edition p 4

[Article by Sergey Filatov, leader of the Russian Federation Presidential Administration: "Power and Accord"]

[Text] Our society seems to be getting used to the idea that a situation of political nervousness and heated passions over the question of power is the normal state of present-day life in Russia. The most recent examples are the arguments which have flared up around the recent referendum and the draft constitution.

What is the crux of the disagreements which have triggered the latest flare-up of political passions? Following the people's expression of confidence in President B.N. Yeltsin and his reform policy in the referendum it would be logical to expect from the president new vigorous steps toward accommodating the people's wishes. But for this he has to have the opportunity to pursue his own reformist course, and he can be given this opportunity only by a new constitution and an end to the sabotage of presidential initiatives by the representative branch of power.

But so long as the president is limited in terms of his opportunities to pursue his own course, he cannot essentially be responsible for it.

If the president's current opponents really want to fulfill the people's wishes as expressed in the referendum they should resign and head up the opposition from outside the institutions of power. But instead of resigning they are again subjecting society to a dangerous new spiral of political struggle and confrontation in the evident hope of regaining the initiative and power. In their struggle for power they have crossed the tolerable moral barrier.

The draft constitution has now become a battleground. As before, soviets at every level, various procommunist political parties and social associations, and the Supreme Soviet itself are being dragged into this struggle.

Even quite recently the leadership of the Supreme Soviet was trying to persuade society that we do not need a new constitution, arguing that we can get along fine with the old one. But the events of recent days have shown that the overwhelming majority of society today is firmly stating that a new constitution is needed.

The evolution of this issue is as follows. As far back as the Sixth Congress of People's Deputies different views on the nature and methods of implementation of economic reform emerged between the executive and legislative branches. Initially these contradictions affected what appeared to be strictly economic problems. But soon the struggle unleashed over the reforms evolved into a political clash and a power struggle. It became particularly implacable in nature on the eve and during the course of the Seventh Congress of People's Deputies. This was where an attempt was made to transform the president into a figurehead who determines and decides nothing and to completely subordinate the government to parliament. Questions of economic reform were forgotten, and society was shunted toward a reversion to a worse variant of the previous political system. In this context how can you fail to recall the 18th-century German essayist and poet Johann Seume: "In some

states legality is given a form which makes it more terrifying than lawlessness."

What we have in the country today is real dyarchy, or in fact a situation of anarchy, which is destructive for society and threatens the foundations of the state system. This situation deteriorated as a result of the work of two successive extraordinary congresses—the eighth and ninth. It is now the case that to continue to tolerate the situation that has developed in our power structures is damaging to society and the state. Especially since it is clear to everyone that the disposition of forces in the corps of deputies does not reflect the real disposition of forces in society today. This mismatch should have been exposed by seeking the people's opinion directly.

The questions put to the referendum, by the very nature of the wordings adopted by the Ninth Congress, clearly demonstrated the corps of deputies' desire to once again discredit both the president and the reforms he is pursuing with the government.

With the referendum now over, its political lessons are so obvious that you would think that those people who were thirsting for a monopoly and unlimited hold on the full plenitude of power would finally stop their senseless, debilitating, and enervating struggle right now and take the path of seeking national accord and constructive cooperation.

But literally the day after the referendum, even before the official data for the results had been received, R. Khasbulatov told a Supreme Soviet Presidium session: "It (the referendum) will produce neither losers nor winners but will only manage to split society. Those who were pursuing this goal have achieved it." It is perfectly obvious to any unprejudiced person that such a biased assessment is a manifest distortion of the actual referendum results and has no other objective than to, first, justify further aggressive actions by the corps of deputies and, second, conceal the actual split that has occurred—not a split in society but a split between the Supreme Soviet and the Congress on the one hand and society on the other.

When people are force-fed with statements of this kind not just once or twice but every day, in enormous doses for which there is no reasonable explanation, the unavoidable suspicion which arises is whether this is not being done for far-reaching purposes and whether certain circles in our society are encouraging the division of our society into "our side" and "the other side," into "allies" and "enemies"?

The results of the call to "split society" were not long in coming: This is confirmed by the tragic 1 May events in Moscow, for which there is information that thugs were trained in advance.

The most important political task today is to finally overcome the dyarchy. By adopting a new constitution, embarking on the creation of a new society, and giving the people the necessary guarantees for a calm and normal life and peaceful work.

The draft Constitution prepared by the Constitutional Commission and basically approved by the Sixth Congress had in practice been on ice. Probably because the current Constitution, after hundreds of amendments and face-lifts, meets the interests of the present Supreme Soviet leadership and the aggressive majority of the Congress who do its bidding.

The presidential draft Constitution cools our immoderately "playful" legislators' passion for "playing" with the Constitution and thereby makes arbitrariness impossible, undermines the last remnants of the totalitarian state system, and makes it possible to preserve and strengthen the Russian state. The only reasons why Russia might fall apart is that the unitarist norms enshrined in the current Constitution and reflected in the draft formulated by the Constitutional Commission have become too restrictive for our Federation.

But since the opponents of the presidential draft Constitution do not want to allow this to happen either, they "suddenly" found it extremely necessary to submit a parliamentary draft of the fundamental law for discussion.

There is no disputing that both these drafts are the fruit of a tremendous amount of work by both professional lawyers and the most competent and well-trained deputies. The drafts are similar in many respects, and the Federation Treaty is an integral part of both drafts, which share a large number of articles which are in tune or literally coincide with each other. Nevertheless the presidential draft is distinguished from the parliamentary draft by virtue of its conceptual integrity and completeness—as is being observed today by almost all those who have participated in regional conferences from 83 components of the Federation.

The presidential draft organically brings together all the positive things developed by both world experience and our own experience of state building. The concept of the draft embraces human rights, the real separation of powers, a strong vertical power structure, political and economic liberties, the system of justice, and the Federation.

Meanwhile the parliamentary draft of the Constitution is rambling and marred by declarativeness, the incompleteness of a number of articles and provisions, and internal inconsistency, which reflects the factional confrontation among the deputies who participated in the work on this draft—both during the process of the creation of the Constitution and at the stage of the protracted discussion of how to get it to "fit" the interests of the most diverse political parties and groups often occupying the diametrically opposed positions.

Many people today are asking: Can the two drafts for a new Constitution be combined into one? Of course they can, and this is the direct corollary of President B.

Yeltsin's edict of 20 May this year "On the Convening of a Constitutional Conference and the Completion of the Preparation of the Draft Constitution of the Russian Federation." The broad and comprehensive makeup of the representatives included in the Constitutional Conference makes it possible to hope that, if we manage to avoid political confrontation, the new Constitution can be adopted in the very near future.

It is naive to think that the power struggle will cease immediately after a new Constitution is prepared and adopted. Bitter experience of both the remote and the recent past testifies that as the twilight of a person's political career looms larger, power as it slips away becomes more precious and he will abandon more desperately both his principles and his word of honor to hold on to it.

Also the adoption of the new Constitution will mean a new election campaign, and there is no guarantee that the cheapest populism, slander, blackmail, and threats of civil war that keep society in a permanent state of tension will not force our most complex economic and political tasks onto the back burner again. There are many reasons for such anxieties: the political apathy of a considerable proportion of the population, the decline in the attractiveness of certain democratic slogans, the resurgence of opposition parties and movements, the difficulties in the economy—all this perplexes those strata of the population which supported the president in election and referendum alike.

All of us who want the good of the people and the state now need national agreement on seeing the policy of reform through to its logical conclusion, and supreme professionalism on the part of leaders at every level and future members of parliament. And this is why it is necessary today to create a countrywide democratic coalition reliant on the people's support.

Only on the basis of such a coalition will it be possible to continue the effective implementation of reforms; only such a coalition will secure for the multinational people of the Russian Federation and each citizen their inalienable rights granted by the Constitution, constitutional legality, and economic prosperity.

Civic Union's Lipitskiy on Political Crisis

PM2705093893 Moscow ROSSIYSKAYA GAZETA in Russian 26 May 93 First Edition p 3

[Interview with Vasiliy Lipitskiy, chairman of the Civic Union executive committee, by SUEDDEUTSCHE ZEITUNG editor Dieter Schroeder, "transcribed" [zapisala] by Lyudmila Semina; place and date not given; under the rubric "In the Parties and Movements": "Civic Union Is for Early Elections"]

[Text] [Schroeder] What is Civic Union's political orientation?

[Lipitskiy] Civic Union is a bloc of different political forces. A large part of it consists of members and supporters of the People's Party of Free Russia, who adhere to a social democratic orientation. The Democratic Party of Russia, another member of Civic Union, is of a social-liberal thrust. The youth unions and trade union associations do not declare their political position. The union's aim is to find concrete ways to overcome the crisis. As for the political orientation of Civic Union in general, you could say it is a social democratic organization.

[Schroeder] How many seats does Civic Union have in parliament?

[Lipitskiy] Since parliamentary deputies in Russia were not elected according to party affiliation, one cannot really speak of factional discipline. One of the few party factions in parliament—Free Russia—has 58 deputies. The Democratic Center bloc, which is Civic Union's parliamentary core and consists of three factions, has 200 votes. The Smena-New Policy faction has a further 50 votes. In the Congress, about one-third of the deputies are behind Civic Union.

[Schroeder] Why and in what ways does Civic Union constitute the opposition to Yeltsin's program?

[Lipitskiy] Have you seen his program? I have not been so lucky...

[Schroeder] All the same, Civic Union is the opposition...

[Lipitskiy] We have avoided calling ourselves the opposition or behaving as such in the hope that it would eventually be possible to establish cooperation with the president. However, clearly our hopes have yet to be vindicated.

At the same time, the president has borrowed much from Civic Union. Even Gaydar's economic program, in the one and only version that was submitted to the Congress as a formal document, contained basically Civic Union's recommendations and formulations. However, this always went hand in hand with harsh rhetoric against Civic Union.

The evolution of our relations with the president is such that today we are indeed in opposition to him.

[Schroeder] What is the difference between the economic programs of Civic Union and the government?

[Lipitskiy] The present government, continuing its predecessors' "glorious" traditions, has no program either. Gaydar's team, as you know, based the reform on the very tough economic principle of "shock therapy," which resulted in ruin for the economy and for the government itself. Today's executive still has no consistency or priorities to define its actions. The allocation of credits is totally unsystematic, for instance. It is done absolutely unpredictably and arbitrarily.

[Schroeder] The mass media say of Gerashchenko, chairman of the Central Bank of Russia, that he is "playing" against Yeltsin and is leading the country into a financial crisis... How far is that true?

[Lipitskiy] The Central Bank allocates not more than 15 percent of credits. A further 25 percent are allocated by the Russian Supreme Soviet. The rest are distributed by the government under pressure from various lobby groups. I think that this division of rights to issue credits should be matched by a division of responsibility for the consequences.

[Schroeder] One point of criticism put forward by Civic Union is over the tough social policy of the president and government. What lies behind this criticism?

[Lipitskiy] The knowledge that social programs are bearing virtually the whole brunt today. Remember, for instance, Edict No. 1 of the Russian Federation president, devoted to problems of public education. Not a single provision of this edict has been fulfilled to this day.

[Schroeder] Are you proposing a different social policy? How do you intend to finance it?

[Lipitskiy] To explain Civic Union's social policy, you have to look at its economic program as a whole, since we view the problems of overcoming the crisis as a single whole, and this program, unlike the monetarist model, is based on Christian principles. Our vision of social policy is based on maintaining and increasing the population's purchasing power. At the same time it is not an inflationary program, since it identifies and protects a number of sectors that have traditionally not been subject to the ruble (that is, the noncash sectors) and which, with state support, will remain the guarantee of economic stability.

[Schroeder] In the development of industry in Russia, the emphasis used to be on the heavy and light sectors. Today the structure obviously has to be changed. In what way?

[Lipitskiy] Civic Union's economic program, which incorporates research by major Russian economists Petrakov, Saburov, and Yarmolenko, is based on the principle of prioritization. In our view, investment should be guaranteed first and foremost for those sectors where the country's unique scientific and technical potential is concentrated—material, technological, and human potential.

[Schroeder] Do you believe Russia is capable of financing such a large-scale program for structural reorganization of the economy on its own? Or will help from Western countries be needed?

[Lipitskiy] Help is needed, but not in the same shapes and forms as now. Not credits, not loan injections, but capital investment and practical involvement in the restructuring of the Russian economy. That is what we want.

[Schroeder] I have read several articles claiming that among the political elite in Moscow there is a view that an intensive reform of Russia's economy is undesirable, because its problems could be solved by the sale of resources and advanced technologies...

[Lipitskiy] That view is possible too. But it is only one side of the problem. Our new technologies do indeed enjoy demand on the world market and could bring in some revenue, but they make up a very large part of the military sector. That sector should be preserved on a far wider scale, and to that end we should not only preserve profitable progressive production sectors, but also actively restructure those sectors that are today not capable of competing at world level. Unfortunately, early in the restructuring there were serious losses in the military sector—mainly losses of personnel.

[Schroeder] Apparently military nuclear technologies could also work for exports?

[Lipitskiy] That is a difficult question, but it is obvious to us that you have to keep your specialists. By cutting back production and leaving people without jobs, we are creating a potential danger of social instability and a possible social explosion.

[Schroeder] How would it be possible to replace your industrial structures in a short space of time?

[Lipitskiy] In a short space of time, it is not possible. Precisely because of the interaction between production and the social infrastructure which I spoke of. Gaydar's idea—to implement a structural reorganization in six months—was absolutely unrealistic.

[Schroeder] In the newspapers today they are writing a lot about the dispute over the new draft constitution and the need for compromise in this dispute. Where do you stand?

[Lipitskiy] Civic Union recognizes only constitutional methods of resolving this dispute. This may be even more important than the actual content of the constitution.

[Schroeder] Are you opposed to the Yeltsin concept?

[Lipitskiy] It seems to lack cogency.

[Schroeder] Which do you like less: the content of the draft proposed by the president, or the means of adopting the new constitution?

[Lipitskiy] The draft gives rise to many doubts: It incorporates a model of authoritarian rule. Yeltsin drew it up with himself in mind, with a view to the actual situation relating to his own confrontation with parliament. But one day there will be another president, and he will have full and uncontrolled power, without, perhaps, the tolerance of today's president...

[Schroeder] Are you in favor of the president's having less power?

[Lipitskiy] In Russia there is a long-standing tradition of a strong executive power embodied, without fail, in an individual. This tradition must be reckoned with and should be preserved. But there is also another tradition—and there should be guarantees against that kind of degeneration. Only parliamentary oversight can give those guarantees.

[Schroeder] Is Civic Union prepared to discuss and adapt the president's draft? Or does it categorically reject it?

[Lipitskiy] We support the idea of a Constitutional Conference as a consultative body. But it goes without saying that such a conference is unacceptable without the participation of parliament.

[Schroeder] But with representatives of parliament?

[Lipitskiy] In our view, any consultations and conferences are permissible, including those involving representatives of parliament. We are only opposed to the idea of turning the conference into a decisionmaking body. That would be unconstitutional. I think that justified doubts as to the legitimacy of such a body would arise from the outset.

[Schroeder] After the referendum, the confrontational stance has been weakened. Is Civic Union now ready for compromise with the president?

[Lipitskiy] We were not in confrontation even before the referendum. We made no decision on either the first or the second question.

[Schroeder] Do you support the idea of a strong executive? Whom should the emphasis be on? What links should exist between the president and parliament?

[Lipitskiy] Civic Union is in favor of a strong executive, and a strong legislature, and also a strong administration in the shape of the president. But the strength of the powers should not depend on personalities. We have already had unfortunate experience of what happens when the posts of president and head of government are combined. In our view the president should retain extensive powers, but only within the limits of his administrative [rasporyaditelnoy] function. The primacy over the executive power should belong to the head of government. Parliament should exercise in full its function of overseeing the executive.

[Schroeder] How does Civic Union think the new parliament should be elected? What electoral system do you support?

[Lipitskiy] Since political parties in Russia have not yet gathered strength and the population does not yet perceive them as representing its interests, it would be expedient, in our view, to hold elections by a mixed system, taking into account the voters' preferences for specific individuals as representatives of supreme power; we propose that elections to the upper chamber should be held on the majority principle. And to the lower chamber, on the basis of nationwide party lists.

[Schroeder] Do you propose specific dates for the elections?

[Lipitskiy] Civic Union has always advocated early elections. We recognize the difficulties this entails, especially as regards federal relations. All the same, we hold the view that only a renewal of all branches of power, of the composition of power, can now extricate Russia from the political crisis.

[Schroeder] I have heard that Russia's political elite wants to partially restore the Soviet Union.

[Lipitskiy] Civic Union proceeds on the basis that new independent states now exist. At the same time the trend toward reintegration is a fait accompli. This trend objectively exists, and is gaining force. And maybe some new kind of community will arise in future—as a result of natural processes.

[Schroeder] In that case, what is to be done with the Russian troops on the territories of the new independent states?

[Lipitskiy] It is best to do nothing.

[Schroeder] You think they should stay?

[Lipitskiy] Not stay. It is just that there is nowhere for them to go here.

Poltoranin: Court 'Instrument' of Supreme Soviet

LD2705152493 Moscow ITAR-TASS World Service in Russian 1335 GMT 27 May 93

[By ITAR-TASS correspondent Lyudmila Aleksandrova]

[Text] Moscow, 27 May—"The Constitutional Court is not a legal structure but a political instrument of the Supreme Soviet in order to fight against the president and its course." This was declared today by Mikhail Poltoranin, head of Russian Federal Information Center in an interview to an ITAR-TASS correspondent. He commented upon the Constitutional Court's decision today to recognize the resolution of the Ninth Congress of People's Deputies "On Measures to Ensure Freedom of Speech at the State Television and Information Services" as constitutional in its essence.

The Congress resolution, the constitutionality of which was considered by the Constitutional Court, practically abolishes the Russian Federation president's decrees "On Russia's Federal Television and Radio Broadcasting Services" and "On the Russian Federation's Federal Information Center."

Mikhail Poltoranin believes the sittings of the Constitutional Court "are like the meetings of bureau of rayon committees in the past if one looks at the questions they discuss and their biased nature." He said the court bases

its work not on the law but on political expediency. In this specific case, it is on the side of the representative power.

Mikhail Poltoranin said a supreme judicial office will be set up after the adoption of a new constitution, and the present composition of the Constitutional Court "will be history."

Military & Space Issues

Defense Enterprise Creates 'Superlight' Rocket Booster

LD2705123193 Moscow ITAR-TASS in English 1124 GMT 27 May 93

[By ITAR-TASS string correspondent Semen Ivanov]

[Text] Moscow May 27 TASS—The creation of a multipurpose mobile rocket-space complex "START" will make Russia the only space power possessing a classical superlight booster, according to Russian space forces which are going to present the invention on Friday [28 May].

It was for the first time in the history of the military-industrial complex that the creation of the booster was not financed by the state.

The START uses the technologies of the solid-fuel intercontinental ballistic SS-25 missile and of the "Topol" missile complex commissioned in the Russian strategic forces and produced at the Votkinsk machine-building plant.

Experts say that test trials and launches were a positive experience. Some 50 SS-25 missiles and prototypes were launched, as well as over 200 medium-range SS-20 missiles, eliminated under the Russian-US agreement of 1988 on medium and short-range missiles.

The "START" allows to place into low circular orbits at altitudes ranging from 300 to 1,000 kilometres space satellites weighing up to one tonne and 7.2 cubic metres in volume on orders from state and commercial ventures. The satellites may be used for space communication, remote sounding and ecological monitoring of the earth.

Two months ago the strategic missile forces launched an experimental "START-1" booster which placed into orbit a satellite weighing 260 kilogrammes.

Experts are convinced that test trials completely proved the correctness of technical design. The advantages of the new booster is that it can be quickly transported to a necessary launching site, the use of solid fuel makes it easy to handle, high reliability is ensured during pre-start prepararations and the flight.

It is also of importance that the "START" is produced only by Russian enterprises which will reconstruct decommissioned missiles into the new superlight boosters.

Grachev Addresses 22 May Leadership Conference

PM2705124993 Moscow KRASNAYA ZVEZDA in Russian 25 May 93 p 1

["Own Information" report: "Initial Results of Troops' Performance Appraisal Discussed at 22 May Conference of Armed Forces Leadership Personnel"]

[Text] Speaking at the conference, Army General Pavel Grachev, Russian Federation defense minister, noted that there had been some success in improving the quality of combat training during the winter period of training. In spite of serious economic difficulties, a breakthrough toward stability had been achieved. The minister noted that the majority of people are no longer worried that the old days would return and have begun to get on with things more actively.

It was emphasized at the same time that executive discipline in many links could still be improved. This was also confirmed during recent inspections in Leningrad and Far East Military Districts, the Pacific Fleet, and a number of large strategic formations and combined units. By way of an example of poor executive discipline, the minister cited the situation on the island of Russkiy. After the tragedy which happened there, specific instructions were given to impose order. But officials in a number of central directorates and the Navy are being unjustifiably tardy. Similar incidents have occurred in other areas as well. The defense minister made a firm demand to cut through the red tape, and set deadlines for eliminating the shortcomings.

Conference participants spoke with alarm about the problems of manpower acquisition in the forces. They are continuing to get worse and the amendments to the Law "On Military Service Obligation and Military Service," which the Supreme Soviet recently adopted, are not providing a radical solution to the problems. It was emphasized that in these circumstances it is necessary to approach the distribution of personnel in a more flexible and considered manner, so that problems of manpower acquisition by units performing the main tasks are the first to be resolved. At the same time the defense minister demanded that efforts to recruit people on contract are galvanized. Attention was also drawn to the fact that people here and there are excessively concerned with quantitative indicators in this work to the detriment of quality. It was also noted that it is necessary to speed up the elaboration and adoption of general military regulations, which would precisely define the service obligations of servicemen on contract.

Gorizont Satellite Not in 'Calculated Orbit'

LD2805095893 Moscow ITAR-TASS in English 0903 GMT 28 May 93

[By ITAR-TASS correspondent Semen Ivanov]

[Text] Moscow May 28 TASS—The Gorizont communication satellite, launched on Thursday by the Proton booster from the Baykonur space-launch complex, has not been placed in the calculated orbit, a spokesman for the press centre of the militarv space forces of the Russian Defence Ministry reported today.

The satellite was launched in the interests of the Russian Communication Ministry.

An interdepartmental commission is now analysing the telemetric information from the satellite.

Economic Issues

Government Moves To Tighten Customs Control

MK2705133493 Moscow KOMMERSANT-DAILY in Russian 27 May 93 p 3

[Nikolay Chernykh report: "Customs Control Toughened in Russia. Customs Staffs Tasked With Equipping Border"]

[Text] **The individual Russian customs posts that exist today along the borders with former Union republics do not add up to a single system of customs control. A new government decree "On Urgent Measures to Toughen Customs Control on the State Border of Russia" marks the initial stage building a full-blown Russian border with contiguous republics of the former USSR. In KOMMERSANT-DAILY experts' estimation, this government decision will produce a "domino effect" in setting up customs borders between republics of the former USSR.**

The passing of the decree is in pursuance of the policy aimed at setting up a full-blown Russian customs system on the borders with former Union republics. The State Customs Committee [SCC] of Russia has been directed to join hands with local executive bodies to define a customs control zone along Russia's state border with former Union republics and to conduct talks with customs bodies in those republics on customs posts siting. Upon completion of the talks, one could apparently expect that the contiguous republics would reciprocate.

Doubtless, the creation of a material and technical base and social infrastructure will entail considerable financial outlays. In this connection, corresponding sums will be appropriated for the SCC of Russia in 1994-1995 out of the budget for the construction of customs posts, customs houses, and housing and social infrastructure facilities. The Finance Ministry is to determine the size of budget appropriations. Funneled into the project will also be the entire hard-currency earnings from processing of customs documents for goods. But the government is not going to carry the entire financial burden that so formidable a project requires. The decree says that the SCC of Russia is free to invite funds of Russian and foreign legal entities to establish the customs infrastructure. The rules and terms of inviting such funds are to be specified later.

KOMMERSANT-DAILY experts believe that the adopted pattern of financing the establishment of Russia's customs borders means that the project's progress would vary to a certain extent with the amount of freight passing through the customs, and on the customs personnel's efforts to attract additional resources.

Ministries Discuss Development of Fuel, Energy Sector

LD2705195193 Moscow ITAR-TASS in English 1929 GMT 27 May 93

[By BUSINESS-TASS correspondent Oleg Deyneko]

[Text] Moscow May 27 TASS—A special federal programme of the development of the fuel and energy industry was discussed on Thursday at a joint session of collegiums of the Russian Economics Ministry and the Ministry of Fuel and Energy Resources.

"Both ministries share an opinion that the collapse of the reform in the fuel and energy sector will lead to the general collapse of the Russian reform," said Yuriy Shafranik, Russian minister for fuel and energy resources.

During the discussion it was pointed out that this industry, which accounts for about 68 per cent of hard currency earnings, is to a considerable extent determining the state budget and price formation.

"I highly assess the programme. There is a growing understanding of the priority importance of the programme among all bodies of power," Shafranik said in an interview with BUSINESS-TASS.

The implementation of the programme will enable to stabilise the situation in this industry this year. During the discussion it was pointed out that oil processing, energy saving, improving the structure of oil exports and foreign investments are priority tasks in the industry. "The finalized programme will be submitted to the Russian Government for approval in June," Shafranik said.

Foreign Trade Figures in First Quarter Reported

MK2705103093 Moscow MOSKOVSKIYE NOVOSTI in Russian No 22, 26 May 93 (signed to press 25 May) p B1

[Unattributed report: "Russia's Foreign Economic Relations in January-April 1993"]

[Text] **In January through April 1993, the Russian Federation's foreign trade turnover amounted to $15.9246 billion, a 27 percent fall from the same period last year.**

Trade with developed industrial countries amounted to $9.342 billion. In the process, Russian export to these countries exceeded imports from them by nearly a factor of two ($6.1786 billion and $3.1634 billion). In comparison with the same four months of last year, exports stayed almost on the same level (101.3 percent), but imports dropped appreciably (45.1 percent.)

Compared with 1992, trade with developing countries declined: exports fell by $1.2723 billion (or 90.4 percent of the 1992 level), imports dropped by $10.0007 billion (71.3 percent). Trade with former Council for Mutual Economic Assistance also declined: exports dropped by $2.9129 billion (91.5 percent,) and imports fell by $711 million (36.2 percent.)

Russian exports to China, the Democratic People's Republic of Korea, Laos, and Yugoslavia grew 21.4 percent to $936.3 million. Imports from these countries fell 41.4 percent ($460.4 million.)

Supreme Soviet

'Teams of Experts' To Consider Constitution Proposals

LD2605141493 Moscow ITAR-TASS in English 1358 GMT 26 May 93

[By ITAR-TASS correspondent Ivan Novikov]

[Text] Moscow May 26 TASS—"Working teams of experts" have been formed in the Russian Parliament today to consider proposals made by subjects of the Russian Federation to the draft of the new constitution. These teams, making up two sections, include representatives of councils of republics, districts and regions.

The first section is considering problems connected with the federal system of the state, the system of state power and fundamental principles of local governments.

The other one is discussing a range of issues concerning civil society, basic rights, freedoms and duties of citizens. The first section is led by Russian People's Deputies Sergey Kovalyov, Sergey Ivanov and Fedor Tsan-Kai-See. The second section is led by Sergey Buldayev, Viktor Sheynis and Ivan Fedoseyev.

Proposals made by the subjects of the federation will be discussed for three days at sessions of the newly established expert teams. Afterwards, a joint session of these teams will be held to sum up their conclusions and recommendations.

During the formation of expert teams it was established that some representatives from Russia's regions had brought concrete, coordinated proposals made by local councils, on finalizing the draft of the constitution, while others merely received the authority of a member of an expert team. There was no unanimous opinion as to which draft of the constitution, presidential or the one worked out by the parliament, should be regarded as the basic one.

Aleksandr Karpov, a representative from the Kirov region, suggested joining the two drafts into one, "involving the president's team in the process." "We do not want to be hostages in a political game," Karpov declared.

Parliament Rejects Yeltsin Amendments to Grain Law

PM2805100193 Moscow ROSSIYSKAYA GAZETA in Russian 26 May 93 First Edition p 4

[Unattributed report under "Yesterday, Today, Tomorrow" rubric under general headline "Peasant Needs Credit To Make Hay While Sun Shines"]

[Text] The Russian Supreme Soviet, having reconsidered the Law on Grain resubmitted by President Boris Yeltsin, left the document in its previous wording.

First Deputy Finance Minister Andrey Vavilov, presenting the president's amendments in parliament, noted that only 14 territories in Russia are fully supplying their grain requirements. Because of this he proposed to add to the law's norm which says that "the state compensates grain producers for not less than one-third of costs expended per tonne of cultivated grain" the clarification that this is done only if the grain is sold to federal or regional stocks. The Supreme Soviet also rejected the proposal to bring into full effect Article 2 of the Law on State Support of Grain Production and Processing from 1 January 1994. In its decree, parliament obliged the government to submit proposals before 1 June on bringing legislative acts into line with the Law on Grain and to implement them before 1 July.

ROSSIYSKAYA GAZETA Views 24 May Presidium Session

PM2805104393 Moscow ROSSIYSKAYA GAZETA in Russian 26 May 93 First Edition pp 1, 2

[Parliamentary Press Service report: "Russian Federation Supreme Soviet Presidium Session"]

[Text] A routine session of the Russian Federation Supreme Soviet Presidium took place on 24 May in the House of Soviets. It was chaired by Yu.M. Voronin.

In the context of the performance of supervisory functions, the members of the Russian Federation Supreme Soviet Presidium listened to and discussed the report by P.F. Guzhvin, chairman of the Russian Federation State Committee for Statistics, on the activities of the Russian Federation State Committee for Statistics in 1992-1993. In particular, it was noted that the Russian State Committee for Statistics and its local bodies are keeping

records and making reports and are regularly providing the relevant bodies with economic statistics. Despite this a number of areas of its activity need further improvement, including the quality of the statistical information on new phenomena and processes occurring during the economic reform.

In accordance with parliamentary procedure, drafts of the following legislative acts were examined and sent to the Supreme Soviet chambers' standing commissions, Supreme Soviet committees, the Russian Federation president, and other bodies responsible for legislative initiatives:

—Russian Federation laws "On the mortgaging of agricultural land"; "On making changes and additions to the RSFSR law 'On enterprises and entrepreneurial activity in the RSFSR'"; "On making changes and additions to the RSFSR Criminal Code and RSFSR Criminal Procedure Code"; "On making changes and additions to the Russian Federation law 'On the tax on enterprise property'"; "On making changes and additions to the RSFSR law 'On the health and epidemiological well-being of the population,' the Russian Federation law 'On the protection of consumer rights,' and the Russian Federation law 'On the protection of the environment'"; "On making changes and additions to the RSFSR Code on Marriage and the Family and the RSFSR Civil Procedure Code"; "On making changes to article 8 of the RSFSR law 'On state pensions in the RSFSR'";

Russian Federation Supreme Soviet decrees "On the registration of public and state funds"; "On the recommendatory legislative act of the Interparliamentary Assembly of CIS States 'On the agreed principles of the regulation of citizenship'"; "On the recommendatory legislative act of the Interparliamentary Assembly of CIS States 'On the principles of ecological safety in the Commonwealth states'"; "On the procedure for applying article 11 of the rules of employers' compensation for harm caused to employees as a result of injury, industrial disease or other damage to health connected with the performance of their work duties"; "On the basic principles of money and credit regulation in 1993"; "On identifying an independent auditing organization for the annual audit of the Bank of Russia balance sheet and account operations"; "On acceding to the 9 June 1977 International Convention on mutual administrative assistance in preventing, investigating and stopping customs offenses and the adoption of appendix X to it: 'Assistance in combatting the smuggling of drugs and psychotropic substances'"; "On the characteristics of the transformation of cooperative-state (state-cooperative) enterprises, organizations, and their associations in the agroindustrial complex into joint-stock companies"; "On the transfer of industrial and production fixed capital to corrective labor institutions and medical and labor clinics"; "On the procedure for drawing up exit documents for Russian Federation citizens"; "On the Russian Federation state program for the rehabilitation of the radiation-affected Urals region and measures to help the affected populace in 1993-1995."

After examining it at the session, the Presidium members decided to submit the Treaty between the Russian Federation and United States on the encouragement and mutual protection of capital investments for ratification by the Russian Federation Supreme Soviet.

The Russian Federation Supreme Soviet Presidium session also examined some other matters of the republic's state life.

20 May Supreme Soviet Proceedings Detailed

PM2705115193 Moscow ROSSIYSKAYA GAZETA in Russian 22 May 93 Single Edition pp 1-2

[Aleksandr Linkov report under the "Sixth Session of the Russian Federation Supreme Soviet": "Travkin Has Retired as a Deputy. But Not From Politics, We Hope"]

[Text] At the sixth session of the Supreme Soviet, the editorial commission was unable, 20 May, to reach an unequivocal decision on the Supreme Soviet draft decree "On the Procedure for Taking Account of Proposals by Components of the Russian Federation and of Agreeing a Draft of the New Constitution." Two of its members—M. Chelnokov and V. Isakov—did not agree with an addendum and expressed their own particular opinion. And the addendum suggested by N. Ryabov on behalf of the majority provoked an outburst of feeling in the hall. Now the addendum contained the proposal that "the Russian Federation Supreme Soviet should, in conjunction with the Russian Federation president—chairman of the Constitutional Commission—the Constitutional Commission itself, and the components of the Russian Federation, hold a conference starting 5 June 1993 on questions relating to the preparation of an agreed draft of the new Russian Federation Constitution...," then followed a list of the people who are to take part in this conference. Discussions started up around this wording and occupied the entire evening sitting.

Constitutional Commission Senior Secretary O. Rumyantsev communicated his doubts about the compatibility of the two drafts, believing that they have about 70 percent in common but 30 percent of the material is absolutely incompatible. Although the conference cannot be ignored it should act only as a consultative body.

The regions' attitude to the struggle over the future Constitutions was articulated by Deputy N. Medvedev. The components of the Federation will not accept any draft unless Moscow comes to a uniform decision, he said.

The heated two-hour discussion polarized deputies. The concluding document was therefore not adopted. Summing up, Supreme Soviet Chairman R. Khasbulatov proposed a number of new wordings, but discussion of these was postponed to the next sitting.

Bringing yesterday's sitting to a close, Ruslan Khasbulatov proposed that deputies should discuss two draft laws regarding regulation of economic relations within the country and adopt them next week. The first of these, the Supreme Soviet chairman believes, should reduce all types of taxes by 50 percent including value-added tax which is levied on Russian goods producers. The law will be valid for a year.

The other new law banning Russian exporters from conducting payment transactions in foreign currency should cover the same period. The Supreme Soviet chairman stressed that "all foreign currency should flow into the state treasury." Ruslan Khasbulatov's first deputy Yuriy Voronin and the appropriate Supreme Soviet committees and commissions have been tasked with preparing this draft.

At yesterday's Supreme Soviet plenary sitting the parliamentarians satisfied their colleague Nikolay Travkin's request to relinquish his powers as a people's deputy ahead of time. He gave as the motive for his decision the lack of confidence Moscow's voters are showing in their deputies, as expressed at the all-Russian referendum. This justification was the reason for the short discussion that developed unexpectedly.

Deputy Gleb Yakunin was unconvinced by this. In his opinion, "it would have been more honorable if Travkin had explained his departure by the fact that he opposes the president and his reform course."

Nikolay Pavlov categorically proposed rejecting the request: The motives are untenable. This sort of thing could set a dangerous precedent. Sergey Sheboldayev attempted to reconcile the warring sides, reminding them that in the capital 51 percent of the voters expressed their lack of confidence in the deputies. Nevertheless we need to investigate every electoral district individually to check whether deputies should be performance-appraised.

Central Electoral Commission Chairman Vasiliy Kazakov also offered an explanation: It is within parliament's competence to make a decision about a deputy relinquishing his powers ahead of time. Travkin himself did not attend the sitting, and therefore he did not take part in his colleagues' argument.

The parliamentarians then returned to laws they had already adopted which the Russian president had sent back for a repeat examination. They made notes on them and submitted amendments to the Law "On Pension Support for the Parents of Servicemen Killed While Performing Military Service as Conscripts," "On the Customs Tariff," and "On Amendments and Additions to the Russian Federation Law 'On the Basic Principles of the Russian Federation Taxation System'." Practically the entire afternoon sitting was spent on examining amendments. Having rejected most of the amendments, the Supreme Soviet adopted the laws.

Some people might say that yet again parliament has not heeded the president's opinion and has not accepted his remarks. It is therefore necessary to explain the significance of this work on the amendments. It should not be supposed that all laws adopted by the Supreme Soviet and sent off to the president to be signed are read and corrected by him. There is a legal administration comprising lawyers and specialists in the presidential team which takes care of all this work. Yesterday's repeat examination of amendments to the laws is no more than an argument between two juridical parties who believe that their respective wordings are more accurate and specific. While the Supreme Soviet itself acts as a judge by voting for some particular proposal.

However, even less of this essential work would need to be done if preparation of the draft laws proceeded in a more qualitative fashion. This was rightly pointed out to V. Maksimtsev, deputy chairman of the State Customs Committee. After all, following their first reading all drafts are sent to the president, the government, ministers, and departments. This would be the time to iron out all the rough patches and agree all the wordings rather than submit 30 amendments after the law has been adopted by parliament at its second reading.

Yesterday in parliament was filled not just with the business of lawmaking. Parliament also decided to hear out the government on the matter of mutual accounting procedures in the national economy. The fact is that measures implemented last year have only temporarily normalized the situation regarding mutual payments; they have not eliminated the basic causes. At the beginning of this year the process of mutual nonpayments again started to accelerate with increasing momentum. As of 1 March, total debts incurred by industrial and construction enterprises alone stood at about 6 trillion rubles [R]. Many enterprises that manufacture extremely important products are no longer in any state to purchase raw materials or pay wages and are being forced to cut production. Owing to the persisting trend of mounting arrears in respect of payments into the republic budget, this year there has been a shortfall in value-added tax and profit tax revenue of more than R690 billion.

Information was provided by Vice Premier Boris Fedorov, who spoke about the measures that have been adopted to normalize work. A decree adopted by the Supreme Soviet is also designed to achieve this end.

Closing the afternoon session, Ruslan Khasbulatov proposed a draft decree on a procedure for taking into account proposals by the components of the Russian Federation regarding the draft new Constitution; this does not rule out possible participation by parliamentarians and various public forces in a constitutional assembly, but it was stressed that the work of this body will only be consultative in nature.

Regional Affairs

Talks Held With Tatarstan in Moscow to Draft Treaty

Yeltsin Talks With Shaymiyev

LD2705143993 Moscow ITAR-TASS in English 1337 GMT 27 May 93

[By ITAR-TASS correspondent Leonid Tomofeyev]

[Text] Moscow May 27 TASS—Russian President Boris Yeltsin and President of Tatarstan Mintimer Shaymiyev began talks in Moscow, which focus on a draft treaty between the Russian Federation and Tatarstan.

Opening the talks, the Russian president said that they should proceed from concrete agreements, since these agreements have been prompted by life itself and lead to signing treaties in future. Yeltsin said that they should not wait until all the work is completed, but use elements of the treaty which have been prepared.

According to Yeltsin, 4 out of 12 agreements expected to be included in the treaty have been prepared, in particular, it concerns an agreement on cooperation in the sphere of environmenatl protection, contacts in the sphere of higher education, transportation of oil and oil products and an agreement on issues of property.

From Russia, the talks are being attended by Deputy Chairman of the Russian Parliament Nikolay Ryabov and Russian Vice-Premier Sergey Shakhray. Tatarstan is represented by Chairman of the Tatarstan Parliament Farid Mukhamedshin, Vice-President Vasiliy Likhachev and Prime Minister Muhhamad Sabirov.

Yeltsin Press Service on Meeting

LD2705174393 Moscow ITAR-TASS World Service in Russian 1641 GMT 27 May 93

[Text] Moscow, 27 May—A meeting took place in Moscow today between delegations of the Russian Federation and the Republic of Tatarstan. The press service of the president of the Russian Federation reported that progress in preparing separate agreements between the Russian Federation and the Republic of Tatarstan was discussed. It was noted that agreements on interaction in the sphere of the protection of the environment, in the sphere of higher education, on the marketing and transportation of oil and oil refinery products, and also on matters of property have been prepared and will be signed in the near future by the heads of governments. Work on agreements on matters regarding customs control, on interrelations in the sphere of banking, taxation policy, budgets, and others will be continued.

During the talks, progress in preparing the draft treaty between the Republic of Tatarstan and the Russian Federation on mutually delegating objects of management and powers of the organs of government was discussed. Moreover, the sides exchanged views on the development of the constitutional process in the Russian Federation.

The press service report notes that mutual understanding was reached on the matters examined at the meeting. The next meeting of the delegations will take place in June.

Khasbulatov Appeals to People of Chechnya

LD2705231093 Moscow Mayak Radio Network in Russian 1310 GMT 27 May 93

[Statement by Russian Supreme Soviet Chairman Ruslan Imranovich Khasbulatov to people of Chechnya; place and date not given—recorded]

[Text] Dear compatriots who live in the Chechen Republic, on 5 June you are to express your attitude toward everything that is taking place in the republic and chose, in fact, the direction in which the republic will develop. You can choose to continue with the deliberately created orgy of the ruling politicians which, bluntly speaking, is covering with shame the republic and its people—the orgy created by politicians who are relying on criminal elements, national autarky, and poor professionalism in all spheres of government. Or you can choose to channel the very difficult process of self-determination within the confines of positive (?changes) when one would finally be able to deal with reforms, restore the abused dignity of citizens, strengthen friendly and human relations between one another within the republic and with good neighbors with whom our people have for centuries lived in peace and accord?

Therefore I want to call on you, my dear fellow countrymen, my dear electorate, not to remain on the sidelines on 5 June but to go to vote at the polling stations, for it is a time when it is necessary to show good humor and trustfulness. The regime which has been in power for almost two years in Groznyy and which has so many times stated its adherence to democracy and sovereignty, in fact, has turned out to be bankrupt. The noble idea of democracy has been used by them to sow the spirit of agression and national enmity which are not characteristic of the people. The sacred concept of liberty was necessary only to clear the path for the unhindered plunder and theft of the national riches in the interests of a narrow and [word indistinct] group of people close to power. It is indicative that over these not quite two years, the present rulers have not taken any steps to really reform the economy or to really resolve acute social problems. On the contrary, there has been bureacratic centralization which the present rulers have allowed to develop and they have given themselves access to the state trough and the lever of power. In essence, they have squandered the republic's richest potentials which many, many generations of all the peoples of Chechnya and Ingushetia have created.

Let us take the following fact. In the past, only two percent of the revenue from the sale of oil remained at

the disposal of the republic's people. Now all 100 percent remain. What? Have we become richer because of that? Unfortunately many have already personally experienced what starvation, poverty and despair mean. Frightening, of course, but it is still nothing—unemployment has already amounted to more than 30 percent of the total working population. Even the poorest states in Africa do not have figures like this. There has been an unprecedented—by 60 percent—fall in industrial production. Many enterprises have stopped. Equipment has been and is being pilfered and technological transport and materials are being sold off. Over less than the 18 months of the rule of Dudayev's regime the damage to the national economy has exceeded 70 billion rubles. Millions of tonnes of oil products have disappeared without trace. Where have they gone?

It is unthinkable that during last year as well as this year, not a single school, hospital, or club has been built in the republic. There has been no time to do this because, as a result of an inept management of the economy, the republic has turned out to be an extremely unfavorable zone for new investments. Billions of [word indistinct] rubles and dollars have ended up abroad and in commercial structures in all former republics of the USSR and perhaps outside it and are not returning to the republic. Perhaps you know about this better than I do since you are experiencing the joys of the rule every day. It is this inept and irresponsible rule that literally has led to the degradation of moral and ethical values of the people. Killings and robberies have become an everyday occurrence. In the social sense, fear has gripped the republic and its people.

Could one imagine something of this kind until very recently? No, I do not think so. The saddest thing is that the people who are leaving Chechnya are those who have lived here for many years, as friends next to each other—Russians, Ingushs, Dagestanians, Armenians, and many others. Over the last two years the republic has been turned literally into a criminal cesspool and a staging post for international drug trafficking.

The regime is being guarded by the so-called national guardsmen, who were yesterday's prisoners in the [name indistinct] prison. On the other hand, the former bodies of law and order have been destroyed to the foundations. As a result, if you take the 10,000 crimes comitted last year, only one in 10 came to court. [Words indistinct] of Russian and world public. For international public opinion, the republic has become a symbol of senseless threats. For example, you will recall Dudayev's threat to blow up a nuclear power station in Russia and to carry out terrorist actions in Russian cities. This certainly gives rise to alarm, hostility, and surprise on the part of all normal people.

[Indistinct passage] Of course the republic still has a chance of [words indistinct] rebirth. That chance must be seized. For that purpose, on 5 June we must take into our hands not weapons but voting papers. The world knows innumerable examples of how [words indistinct] this peaceful act of expression of the will of the people [words indistinct] spirit of tranquilization and [words indistinct]. This you can decide on 5 June if you make the right choice. It goes without saying that the present confrontation cannot produce anything useful or positive. New people must come to the leadership of the republic; above all, honest and decent people, who will be obliged to raise the republic.

Without Russia and without close links with the Russian Federation, [words indistinct] rebirth of the republic is, of course, simply impossible. [Words indistinct] firm economic, cultural, scientific and, above all, human ties between us [words indistinct]. It seems to me that the new leadership must also sign the Federation Treaty. It is possible that in the process of negotiation some issues may arise which [words indistinct] as other republics, oblasts, and krays of the Russian Federation have done. The republic must have friendly nations around it [words indistinct] and your choice on 5 June will help to bring that about. The parliamentarianism of the republic must become a form of people's power which will erect a firm barrier in the path of the dictatorial ambitions of the new leaders of the nation. I am appealing personally to Dudayev [words indistinct] to resign voluntarily since it is now clear that the Dudayev regime has little support. This would help to put an end to the people's suffering [words indistinct] and the terrible shadow of the past [words indistinct]. I am sure that the people will make the right choice on 5 June and I call on you to make that right choice so that there may not be suffering or bloodshed and so that the conflict may be resolved and we may all, together, live a peaceful life while tackling our difficult economic and social problems. The other problems we (?will be able to solve) [word indistinct].

Chechen Court Rules on Dudayev's Actions

LD2805115493 Moscow ITAR-TASS English 0928 GMT 28 May 93

[By ITAR-TASS correspondent Sharip Asuyev]

[Text] Groznyy May 28 TASS—Three important events have occurred in the political life of the Chechen Republic. Its Constitutional Court has ruled criminal President Dudayev's actions to unlawfully seize power, such as the decree to strip the parliament of its powers, the formation of an unlawful government, as well as several other violations of the Constitution. Article 2 of the Chechen Constitution qualifies attempts to unlawfully seize power as one of the gravest crimes.

Chairman of the Chechen Government Yaragi Mamadoyev had met First Vice-Speaker of the Russian Supreme Soviet Yuriy Voronin in Moscow the day before. The Chechen Parliament had authorised Mamodayev to resume talks between the Russian Federation and the Chechen Republic. It is worth noting that the Mamodayev government was formed by the Chechen Parliament on the basis of proposals drawn up by a

meeting of the heads of local administrations, key socio-political parties and movements of the republic.

Ruslan Khasbulatov, speaker of the Russian Parliament, addressed a message to President Dzhokhar Dudayev, urging him to resign. He also recommended the Chechen people to hold without fail the referendum scheduled for June 5.

Khasbulatov in Pskov, Says Russia Will 'Never' Give Back Petseri

WS2705075193 Tallinn BNS in English 1115 GMT 25 May 93

[Text] Pskov, Russia, May 24, BNS—Chairman of the Russian parliament, Ruslan Khasbulatov, vowed that Russia would never give up the Petseri (Pyechory) region to Estonia, regardless of the acts of local picketers.

"There will be no revision of the borders," he told local representatives in Petseri after hearing about a 300-person protest demanding the region renew its ties with Estonia.

"There is no such political force that could give away Russian lands," he said. "Neither the president nor the chairman of the Supreme Council has the power or the authority to do so.

"Let the people of Pyechory not worry about such claims. Anyone may claim whatever he wants."

Since the former Soviet occupation, ownership of the Petseri region has been a sore subject for Russia and Estonia. The region belonged to Estonia during the independence period in 1920-40, but has transferred to Russia in 1944. Estonia has claimed the territory under the border guidelines established in the 1920 Tartu treaty. Russia, however, maintains that the area is still part of Russia.

Khasbulatov arrived on a one-day visit to the Pskov administrative region Monday as part of a whirlwind tour of the country.

He went to see several border checkpoints under construction near Petseri, and he got acquainted with the plan for checkpoint and border guard posts in the region.

Upon his return to Pskov, Khasbulatov met with local officials and discussed possible changes in the structure of the local government.

Further on Khasbulatov Visit to Pskov

PM2705122993 Moscow ROSSIYSKAYA GAZETA in Russian 27 May 93 First Edition p 2

[Yuriy Stroganov report under the "Visit" rubric: "Loudspeaker Had To Be Taken Onto the Street"]

[Text] The conversations and meetings which took place during the visit to Pskov Oblast by Supreme Soviet Chairman R. Khasbulatov and his deputy A. Agafonov revealed the full depth of the problems facing Russian society.

The famous "Cherskaya" Agricultural Firm is like a model of a small state. Representatives of 25 nationalities work successfully here at this multipurpose enterprise, getting along very well together. For many, the agricultural firm is an example to be followed. Despite the complexities of the reforms, output of agricultural produce has not fallen. Villagers live very decently. The local store has meat at 100 rubles [R] and butter at R200 per kilogram. A kindergarten place costs R60 a month, and the rent for an apartment is R80.

So it is clear why parliament's leaders were invited here. And nevertheless, it is here, in this prosperous collective, that Khasbulatov was asked directly, and with true peasant bluntness: When will the people involved in production—the villagers—begin to live normally? Why is it that dealers, making money from the resale of the fruits of their labor, can afford for themselves things which the peasant cannot even dream about? There is no point in even mentioning cottages or vehicles—they are totally beyond the villagers' reach. And yet, even in "Cherskaya" there are many elements of market relations, such as differentiated market markups controlling the interests of workers and a spirit of enterprise transforming the former missile base into a meat complex. It emerged that the concerns of workers at the agricultural firm are not so very different from those of other inhabitants of the region. The agricultural firm's President V. Sidorenko talked about how the peasant must become a full-blooded citizen of Russia, and a little later A. Alekseyev, a kolkhoz chairman well-known in the oblast, talked about the need to take the agricultural sector out of the wilderness, and others also raised this question.

"Our deputies have been expressing concerns over the state of affairs in the countryside ever since the second Congress," Khasbulatov said. "If the government had embarked upon the path of honoring decisions made back at the second Congress, there would not be such a disastrous situation in the countryside. Massive resources were earmarked under specific programs. We are seeking to bring home to both the president and the government the need for priority consideration for the agricultural sector."

Khasbulatov drew attention to the fact that in Western countries, where there is an abundance of produce, the executive authority is concerned about the agricultural sector and it issues subsidies. More than one-third of the Common Market budget goes to support it. The vice president has been in possession of numerous interesting projects, but he is not allowed to implement them.

In the Supreme Soviet chairman's view, the attempt to resolve ideological tasks first and foremost is having a negative effect on the agricultural sector. A strategy to destroy the kolkhoz base and to restore private farming

is being carried out. These are illusory, make-believe plans. To become a private farmer in certain countries of the West, three documents are required testifying to an agricultural education, mental fitness, and the intention of an agricultural organization to sell land to this individual. People in our country do not want any restrictions.

Khasbulatov expressed the view that the debate between the legislative and executive authorities is deliberately spilling over into the ideological sphere, insofar as it is easier to "beat on drums" than it is to resolve vital questions.

Much time was accorded to a discussion of the concept of reforms. While answering questions, Khasbulatov noted that the chosen direction of reforms has destroyed the country. With the resources available, there was a far greater likelihood of achieving success. In reality, though, the country is being plundered. The attempt to Americanize the Russian economy is unrealistic, insofar as such reforms presuppose conditions which do not exist in our country.

"We need models which would lead to the development of a mixed economy," the head of parliament stressed. "It is essential to define precisely which enterprises, which sectors, and which branches of production will remain in state ownership, how to transform it so that it might satisfy people's requirements, and how to force it to compete with other forms of ownership. At the same time, answers are needed to questions about the spheres in which private ownership should operate, who these private owners are, and which resources they use."

Arrives in Samara

LD2805082693 Moscow ITAR-TASS in English 0742 GMT 28 May 93

[By ITAR-TASS correspondent Boris Belyakov]

[Text] Samara May 28 TASS—Russian parliament chairman Ruslan Khasbulatov believes three draft constitutions are necessary for discussion to reflect the ideas of three major political trends in the country.

"The main problem of adopting a new constitution is that we have not yet defined the fundamental values of our society", he told local legislators in the city of Samara on the Volga on Friday.

The speaker believes there are three major political trends in the country. "The first one comprises the radically-minded minority adherent to the American model of state development", he said referring to Democrats.

The second group supports centrist ideas, socially-oriented economy and a parliamentary republic.

The third stratum is adherent to the communist and socialist ideas and Khasbulatov believes it outnumbers the first one.

Proceeding from that he proposed to hold a referendum on three drafts of a new constitution which would reflect the viewpoints of all strata of society.

He added that both the parliamentary and the presidential drafts of the basic law are "imperfect and need to be improved".

Visit to Novgorod Viewed

PM2805092393 Moscow ROSSIYSKAYA GAZETA in Russian 27 May 93 First Edition p 2

[Mikhail Semenyuk report under the "Visit" rubric: "On the Territory of Ancient Novgorod"]

[Text] The visit to Novgorod territory by a Supreme Soviet working group led by Chairman R. Khasbulatov coincided with the Slav Script and Culture Festival. It is precisely here in Novgorod that the holiday, now traditional for Russians, originated.

However, the parliamentary delegation's visit was strictly business. Khasbulatov arrived in Novgorod Tuesday without a formal reception or any fuss in the mass media. On the aircraft steps, he explained his visit to a correspondent as motivated by a sincere desire to know what the inhabitants of Novgorod think about "big-time politics, and big-time politicking."

The artificial rivalry, imposed in many ways from the center, between the executive and representative branches of power in the regions, which is sometimes a cause for unconcealed political speculation, is in no way typical of the inhabitants of Novgorod. The tradition of resolving contentious issues at gatherings of the Veche [vechevoye sobraniye] is probably too deep.

The day before the visit, the Oblast Soviet Inner Soviet held a joint sitting with members of the Oblast Administration Presidium and representatives of oblast cities and regions. There, a decision was adopted to hold a full [bolshoy] extraordinary session of the Soviet to discuss the proposed drafts of the Constitution, and representatives to take part in the Constitutional Conference were put forward. They are Oblast Soviet Chairman N. Grazhdankin and Oblast Administration Head M. Prusak. In line with the Inner Soviet's decision, a working group set up in the oblast especially for this is processing and accumulating proposals on the Fundamental Law. Nevertheless, both the administration head and the oblast soviet chairman prefer to take as the basis for the future Constitution the more laconic "presidential" draft, while substantially modifying the section on federal structure and the section on power.

Questions on the crisis condition of Russia's economy and the problems surrounding the systems for offering credit to producers and levying taxes, which arose at a meeting between R. Khasbulatov and city and oblast leaders, set a strained tone for the parliamentary delegation's work over the course of the entire day. Why is it that prices have risen by 280 percent in the last five

months, significantly outstripping the rise in wages? How can a producer expand [razvivatsya] on a profit of 14 kopeks in every ruble, when the remaining revenue goes to cover state taxes? Why is it that the prestige of our own national currency—the ruble—is falling so drastically? Who in today's Russia is responsible for the eternal gaps in the economy? Answering these and other questions at a meeting with the labor collectives of the "Kvant" Production Association and the "Novgorodskiy" sovkhoz—the oblast's largest—R. Khasbulatov noted:

"It is essential clearly to understand and to distinguish between those functions which are carried out in the state by the representative and executive organs of power. Today, it is the government and the president as the executive power who bear full responsibility for all that is happening in our economy—both in industry and agriculture."

Following highly negative evaluations of the government programs for privatization and taxation, the leader of the Russian parliament noted yet another negative tendency of the executive power—the attempt to encroach on representative and judicial organs' powers. The institution of parliamentarianism alone, he said, is the guarantor of a democratic society, not only in our country, but in other states as well.

Continuing the visit, R. Khasbulatov met with representatives of the social sphere, political parties, and movements, and he visited Novgorod's architectural pearl—the Kremlin.

Regions Seen Striving For Power

MK2705095693 Moscow MOSKOVSKIYE NOVOSTI in Russian No. 22, 30 May 93 (Signed to Press 25 May) p A9

[Lyudmila Leontyeva report: "Regions' Riot"]

[Text] **Having been late for a conference of the representatives of both branches of power of the North Caucasus in Stavropol, Russian Labor Minister Gennadiy Melikyan came when the show was nearly over. A joint statement had already been signed.**

Those attending the meeting from Kabardino-Balkaria, North Ossetia, Karachayevo-Cherkessia, Adygea, Ingushetia, Dagestan, Rostov Oblast, and Krasnodar and Stavropol Krays had already signed a joint statement. It was brief: Henceforth, only a single draft Russian Federation Constitution will be discussed, drawn up on the basis of the existing ones; it will be agreed upon with the components of the Federation; it will be adopted only through a procedure laid down in the Constitution; and the Constitution of the Russian Federation will be adopted this year.

The preamble to the statement says: "Certain forces have been trying to put the work on the draft constitution to the edge of the political struggle, which destabilizes the social and political situation in the region and hinders the normal economic pace of southern Russia." Apparently, it was these words that allowed Melikyan to call the statement "too harshly phrased." Although the debate was over, he tried to explain to the delegates the most controversial provisions of the presidential draft, which evoked an openly hostile reaction among the audience. The draft was called autocratic, designed to suit a specific personality, and leading "right into the jaws of totalitarianism." The regional leaders pointed out that it was "decoupled from the Federation Treaty and disregarded the opinions of the territories," emphasizing that this may provoke an even greater division in society and push it to the brink of civil war.

Vladimir Khomutinnikov, Stavropol Kray prosecutor, speaking at a news briefing, expressed a sharply negative attitude to the presidential draft. He said that the adoption of this draft would amount to the constitutional formalization of a dictatorship. Similar conclusions were drawn by a session of the Stavropol Kray Soviet of People's Deputies, which was held last Saturday.

Judging from the results of the referendum, it looks as if the "cold shower" that MOSKOVSKIYE NOVOSTI promised the president is threatening to turn into a long, heavy, autumn rain in the North Caucasus. "The regions' riot," albeit still within the limits of politeness, is nonetheless taking on harsh forms in the national republics. Their hands have been strengthened by the nearly universal unanimity of the executive and legislative branches, whose alliance is made even stronger by the sharpening division at the federal level. The confrontation at the top gives the Russian provinces a unique chance to seize as much independence from the center as it can swallow. And the struggle is presently being waged for assuming the entire state authority on their territories, including legislative and economic powers, and even foreign policy... So far, it is only a handful of sober-minded people who speak about the vital need for laying down in the future constitution a provision unequivocally stipulating the unity and indivisibility of Russia.

Supreme Economic Council Head Stresses Irkutsk's Importance

LD2705213893 Moscow Radio Rossii Network in Russian 1600 GMT 27 May 93

[Text] Vladimir Ispravnikov, deputy chairman of the Supreme Soviet of the Russian Federation and chairman of the Supreme Economic Council, is in Irkutsk. Vladimir Kotkin, our correspondent in Irkutsk, reports.

[Kotkin] The scientific and practical conference, whose theme is "The Oblast's Economy: Problems and Prospects of its Development," has been going on in our city for a second day now. Taking part are scientists, economic managers, and guests from many regions of Siberia and from Moscow. Vladimir Ispravnikov addressed the conference this morning. He said that Irkutsk oblast is not an ordinary administrative territory

but Russia's outpost in the south, a test range for the elaboration of many programs. In his opinion, the conference is seeking a model for the Russian economy.

After speaking at the conference, Vladimir Ispravnikov attended the presentation of a new export factory at the Kedr Association. This well-known alcohol and soft drink enterprise in Siberia is growing like a Siberian cedar. The new production line will produce Russian vodka for export from the water of Baykal. Representatives of the firm Pepsi, the partners of the people of Irkutsk, noted the high quality of the product today. Incidentally, 90 percent of the product will go to the United States. Kedr will receive hard currency. Another three plants will be built soon—producing Pepsi, spirits, and champagne. It is interesting that Vyacheslav Imalov, the director of Kedr, which is now flourishing, was dismissed for not fulfilling the plan while he was fighting alcoholism.

Vladimir Ispravnikov then visited the Agroborspetstroy firm which is surprising in the pace and scale of its work. It mines gold in the Transbaykal region, is carrying out reconstruction work in Sheremeytevo, is building houses and schools in the countryside and roads in various parts of Russia.

Pavel Golyshev, president of the firm, told the chairman of the economic council what was hindering the work of entrepreneurs, first, high taxes.

Vladimir Ispravnikov promised to support the entrepreneurs of Siberia who today are bringing real benefit to the Russian economy.

Government Called on To Restrict Foreign Mining Investments

LD2805085193 Moscow ITAR-TASS in English 0623 GMT 28 May 93

[By ITAR-TASS correspondent Vladimir Khodij]

[Text] Irkutsk May 28 TASS—Russian deputy parliament speaker accused the government of turning Russia into "an appendage of raw materials for industrialised nations" and called to refrain from foreign inevstments in mining industries.

Vladimir Ispravnikov, who is also the chairman of the Supreme Economic Council of the Parliament, told a regional economic conference in the Siberian town of Irkutsk that he is against joint ventures with foreign investments in Russian mining industries.

"Russian economy is at crossroads of two ways of market reforms. For the time being the first (direction) prevails—dependence on foreign capital and turning the country into an appendage of raw materials for developed states. We, however, have to go along the other way and give priority (support) to home producers", he said.

Speaking about the constitutional crisis in the country, Ispravnikov admitted that a new basic law can be adopted by a constitutional assembly, but only if the Congress of People's Deputies rules so.

The adoption of a new constitution is the right of the Congress of People's Deputies, he said. "If the congress fails to adopt it for some reasons, then there is the only other way—referendum. A constitutional assembly is also possible, however the decision of the congress is necessary for that", he stressed, adding that the April 25 referendum which voted confidence to President Boris Yeltsin "complicated many problems".

International Affairs

Defense Ministry Denies Mercenaries in Georgia

LD2705173993 Kiev Radio Ukraine World Service in Ukrainian 1600 GMT 27 May 93

[Text] Foreign mass media have recently been reporting that the command of the Georgian forces in the zone of the Georgian-Abkhazian conflict has supposedly been utilizing a large detachment of mercenaries from Ukraine, and is also expecting modern technology and weapons from Ukraine. References are made to some kind of military treaty between Ukraine and Georgia on friendship, cooperation, and mutual assistance, in accordance with which military support is given to Georgia.

The press service of the Ukrainian Ministry of Defense is authorized to state: Neither a military treaty, nor any other agreement, in accordance with which deliveries of weapons and technology were envisaged, have been concluded between Ukraine and Georgia. There are no grounds for Ukrainian military force elements to take part in the Georgian-Abkhazian conflict.

Ukraine's legislative acts envisage the Supreme Council's exclusive right to examine the issue of military assistance or of granting a contingent to foreign military states.

Ukraine, as a participant of the International Convention Against the Recruiting, Financing, and Training of Mercenaries, has assumed an obligation that does not allow any form of contribution to training or recruitment of mercenaries. Rumors about Ukraine's military presence in the conflict zone in the Transcaucasus are being circulated by certain political forces, if only to harm the process of reconciling the conflicting parties.

Hungarian Defense Minister Arrives for Visit

LD2705111693 Kiev Ukrayinske Radio First Program Network in Ukrainian 0900 GMT 27 May 93

[Text] Hungarian Defense Minister Dr. Lajos Fur arrived this morning in Kiev on a friendly visit. He was met at the airport by Colonel General Konstantin Morozov, Ukraine's defense minister. A meeting with our state leaders and negotiations at the military department are planned.

Holds Talks With Morozov

LD2705195793 Kiev Radio Ukraine World Service in Ukrainian 1600 GMT 27 May 93

[Text] As has already been reported, Hungarian Defense Minister Dr. Lajos Fur, arrived today in Kiev on an official visit. According to the program of his two-day visit, today he had an official meeting with Ukrainian Defense Minister Kostyantyn Morozov. Issues of bilateral relations between the military departments of our states were discussed.

The defense ministers of Ukraine and Hungary exchanged opinions concerning issues of regional security, emphasizing that we have a whole number of spheres where fruitful cooperation is possible.

During the plenary sitting, with the participation of not only the defense ministers but also military department experts from our state and Hungary, issues of developing bilateral relations in the future and also the results of cooperation over the year, that has passed, were discussed.

Communique Issued on Polish President's Visit

LD2805101193 Kiev Radio Ukraine World Service in Ukrainian 0500 GMT 28 May 93

[Text] A communique on the visit by Poland's President Lech Walesa to Ukraine has been made public. The document stresses that during the negotiations an exchange of opinions took place on a wide range of political, economic, and social issues of mutual interest, as well as issues of regional and subregional cooperation, and bilateral relations. The Ukrainian and Polish presidents stated with satisfaction the dynamic nature of developing and deepening Ukrainian-Polish relations. The desire of the two countries was stressed to consolidate traditionally friendly bilateral relations, which complies with the cause of securing, in particular, the principles of democratic development, equality in relations between the states, inviolability of their borders and territorial integrity, goodneighborliness, mutual trust, and non-interference in each other's internal affairs.

A number of bilateral Ukrainian-Polish documents were signed in the course of the negotiations. In particular, these are the agreements on legal assistance in civil and criminal cases, on inter-regional cooperation, on the transfer of those who have crossed the border illegally, on prompt notification about nuclear accidents, on the exchange of information about nuclear facilities, and on scientific cooperation in the sphere of nuclear safety and radiation protection.

Ukraine and Poland expressed a readiness to cooperate within international organizations. The sides will hold consultations at the level of corresponding structural subdivisions of the foreign ministries for a more detailed familiarization and discussion of the initiative by the president of Ukraine concerning setting up a zone of stability and security in the region of central and eastern Europe. The sides underscored the special significance of Ukrainian-Polish cooperation in ensuring the rights of national minorities.

The presidents initiated the work of a newly set up presidential consultative committee, whose task, among others, will be in particular to assess and draft proposals on relations between the two countries and also issues of the central and east European region.

Official Views Increased Cost of Russian Hydrocarbons

LD2705172193 Moscow Programma Radio Odin Network in Russian 1430 GMT 27 May 93

[Text] According to Ukrainian Vice Prime Minister Viktor Pynzenyk, Russia's adoption of world prices for sales of hydrocarbons to Ukraine has exacerbated the republic's already catastrophic balance of payments situation. Ukraine's debt to Russia already amounts to 2.3 billion U.S. dollars.

National Affairs

Kravchuk Proposes Plyushch for Vice President

WS2705145393 Kiev UNIAN in Ukrainian 1400 GMT 26 May 93

[Text] A UNIAN correspondent has learned that during the All-Ukrainian Congress of Representatives of Agricultural Enterprises, President Kravchuk held a talk with Supreme Council Chairman Ivan Plyushch. Leonid Kravchuk proposed that the chairman assume the post of vice president as soon as the position is introduced. Ivan Plyushch gave no straightforward answer, and pointed out that, in his opinion, Prime Minister Kuchma fit in that position.

Kuchma Said To Reiterate Request for Dismissal

WS2605124893 Kiev UNIAN in Ukrainian 1400 GMT 25 May 93

[Text] President Leonid Kravchuk received Leonid Kuchma at the prime minister's personal request. A UNIAN correspondent has been told that L. Kuchma reiterated his request to be dismissed. The results of the tete-a-tete conversation are still unknown.

Kuchma on 'Extremely Difficult' Agricultural Situation

LD2605134493 Moscow ITAR-TASS in English 1111 GMT 26 May 93

[By UKRINFORM correspondent Sergey Balykov for TASS]

[Text] Kiev May 26 TASS - "The socio-economic situation in the Ukrainian agro-industrial complex and in the country as a whole, is extremely difficult. At present the main thing is to define the direction for us to follow," Ukrainian Prime Minister Leonid Kuchma said at the opening ceremony of "the Ukrainian Agro-Industrial Complex '93" exhibition-fair, which will operate on a permanent basis here.

Over 280 Ukrainian enterprises, organizations and farms together with several foreign firms participate in it.

"We must mold real masters of the land, production means and produce itself; encourage multistructure economy, competition and entrepreneurship," he said.

"The fate of the state is being decided today in the fields and on the farms," he emphasized.

"There are no other ways to put an end to crisis in agriculture and processing industry except to transform the structure of production process and make use of modern scientific and technological achievements," Kuchma noted.

Kravchuk on Economic Reform, Future Moves

MK2705131093 Moscow NEZAVISIMAYA GAZETA in Russian 27 May 93 p 1

[Interview with President Leonid Kravchuk by Vladimir Skachko; place and date not given: "Reforms Require Conditions and Universal Desire To Carry Them Out. Leonid Kravchuk Not Intent on Acting Guerrilla-Style"]

[Text] Answering a question about his attitude to a report by the Itogi television program that it was the Ukrainian people that were the loser in the parliamentary debate about the government, Leonid Kravchuk said that such had been the custom on the territory of the former USSR, that formerly the Bolshevik and Communist newspapers hailed the people as the winner after any party plenary meeting, congress, or the adoption of a party program, whereas now that same propaganda is rolling in the opposite direction. "This is why I do not see any significant difference between the former propaganda and the current Itogi," Leonid Kravchuk said.

Commenting on relations at the top echelons of power in Ukraine, Leonid Kravchuk said that even if Ukraine had an ideal president, an ideal parliament, and an ideal government, it would not have done more than it is doing now. "The only thing we could have done, if we had an ideal president, an ideal parliament, and an ideal government, is not to argue in parliament, but to realize that authority should be concentrated in the hands of one institution and an elementary order should be brought to the state. When this is not the case, there are certain doubts as to our abilities," the president concluded.

Afterward, Leonid Kravchuk told your NEZAVISIMAYA GAZETA correspondent about his working plans for the new conditions.

"I will set up a group of specialists to deal with two basic issues. First, they should ensure consistency of the reform. Second, they should issue edicts required for pushing reforms in the areas where there is still uncertainty. There is a third area—reconciling the laws and decrees passed by the Kuchma government. There are 60 decrees and hundreds of laws that contradict each other and should be reconciled, otherwise it will be difficult to rely on a single legal framework.

[Skachko] What are your predictions regarding economic reforms in Ukraine? Will they succeed, or is there a catastrophe in store for us?

[Kravchuk] Reforms require certain conditions and a universal desire to carry them out. Say we have certain laws at the level of the parliament and the government. But let us descend lower, and this is where the main problems emerge: the Soviet of People's Deputies wants one thing, the presidential administration another, a village soviet wants something else, as does a chairman of a collective farm. All of them have their own viewpoints, and this is not bad in principle, but when these viewpoints grow into an obstacle for reform, then this is already bad.

[Skachko] In other words, the reforms are doomed?

[Kravchuk] Why are they doomed? We will proceed with the reforms.

[Skachko] Will you be allowed to create and agree upon a legislative framework required to conduct reform?

[Kravchuk] Whether I will be allowed or not is one thing, but the fact that I am intent on doing it is quite another. I do not think that when my edicts or the actions of the government are finally in line with the interests of the people it will be of much importance whether they allow it or not. What is essential is the support for our actions by the people, by the workers' collectives of plants, factories, and collective farms. Then all this will succeed. When there is a lack of coordination and somebody suffers from it, the people will not support even ideal decisions.

[Skachko] Are you ready to ask the people for support?

[Kravchuk] I do not plan to ask the people so as not to provoke a confrontation. When I was speaking about asking the opinions of the people, I only meant to explain the existing situation and also to make it clear who should be responsible for what, what actions should be taken, and I also wanted to ask the people to support this or that decision. If the Supreme Soviet takes over everything, I will support it, because I want to act on a lawful basis. When the Supreme Soviet hands the powers to the president, however, and makes the requisite amendments to the Constitution, I will act accordingly and will assume full responsibility. If there is any other lawful decision accompanied by corresponding amendments to the Constitution or the laws, I will support it. I actively oppose guerrilla-like actions. What we need is a legislative framework for us to be able to work; we also need respect for the law.

[Skachko] That is to say, a referendum on confidence in the Ukrainian Supreme Soviet is out of the question?

[Kravchuk] Absolutely. [Kravchuk ends]

Leonid Kravchuk did not expand on his relations with Prime Minister Leonid Kuchma; however, it transpired that on 25 May the latter submitted his letter of resignation to the president. What happened to the application is still unknown. At the same time, Viktor Pinzenik, deputy prime minister for economic reform and one of the authors of the economic reform program, called this government inefficient. In addition, Pinzenik said that the policy of subsidies, the ill-advised issuance of credits, and the throttling of privatization might turn into the main impediments of reform. As for his participation in the future government, Viktor Pinzenik said he would consider this.

Second Power Unit at Zaporozhye Nuclear Plant Down

LD2705194493 Kiev Radio Ukraine World Service in Ukrainian 1600 GMT 27 May 93

[Text] As was reported by the information service of the Zaporozhye nuclear power station, on 27 May the duty personnel of this station stopped power unit number two due to a fault in the work of the accelerated unloading system. The cause of the fault is being elucidated. Malfunctions in the work of the power unit do not pose any threat to personnel of the nuclear power station or the population. The radiation situation at the nuclear power station and in the region remains unchanged.

Symposium Concludes Chernobyl's Work To Continue

LD2605204793 Kiev UKRINFORM in Russian 1419 GMT 26 May 93

[By UKRINFORM correspondent Yelena Alikhanian]

[Excerpt] Kiev, 26 May—The significance of the Chernobyl nuclear power plant super-station for the young republic in the making having been weighed, the following becomes obvious: Chernobyl is to live on. Many specialist power engineers, well-known scientists, the country's Supreme Council people's deputies, members of international organizations, and finally, Yuliy Ioffe, Ukrainian minister for fuel and energy complex issues, spoke about this at the symposium "Chernobyl Nuclear Power Station: Scientific and Technological, Economic, and Social Consequences of Political Decisions," which ended today.

What was the motivation of the conclusions reached by the well- known participants in the forum? Stopping the station can inflict irreparable damage upon the economy of Ukraine, which will not improve the ecological situation there at all. Costs associated with this process will but intensify the crisis. None of the operating stations today correspond with up-to-date safety standards, since the latter are changing faster than the former's design and technology can ever do. The technical policy in nuclear power engineering is that the main equipment is being constantly updated, control and diagnosis systems refined, and personnel qualifications improved, which eventually reduces the risk of accident situations arising. If the moratorium on the commissioning of new generating sets is lifted and the Chernobyl sets are gradually replaced with more up-to-date models, the issue of safety can be settled, and the work of the station can be guaranteed against any accidents. [passage omitted]

Crimean Parliament Adopts 1993 Budget

AU2705082993 Kiev DEMOKRATYCHNA UKRAYINA in Ukrainian 25 May 93 p 1

[Unattributed report: "The Crimean Budget"]

[Text] **The Crimean parliament once again returned to discussing the budget for 1993.** After numerous amendments, it was adopted. The Crimean income budget of 105,260 million karbovantsi [K] has been approved. About K50 million has been allocated for social protection. The discussion at the Crimean Supreme Council session on citizenship of the republic has not resulted in anything.

Moldova

Snegur, Russian Military Official Meet

AU2705195893 Chisinau BASAPRESS in English 1938 GMT 26 May 93

[Text] Chisinau, BASAPRESS, 26/5/1993—Mircea Snegur, President of the Republic of Moldova, Supreme Commander of the National Armed Forces, received today Colonel-General Eduard Vorobiov, the first deputy of the supreme commander of the land forces of the Russian Federation, states a communique by the press service of the president. In this connection, an exchange of opinions upon the status of the 14th Army which is located on the territory of the Republic of Moldova was made regarding a message previously addressed to Boris Yeltsin, president of the Russian Federation.

According to the cited source, Mircea Snegur stated that the Republic of Moldova intends to become a demilitarized zone, the principal goal of its authorities being the provision of a stable peace.

In connection to the military conflict that took place a year ago in the eastern regions of Moldova, the head of the chief-of-staff emphasized that it is important not to allow its continuation and that for this purpose they impose stability in the corresponding regions. Pavel Creanga, the minister of defense of Moldova, and Vladimir Plechko, the Russian ambassador in Chisinau, were present at this meeting.

Gagauzia Insists on Self-Determination

AU2705152293 Chisinau BASAPRESS in English 1938 GMT 26 May 93

[Text] Chisinau, BASAPRESS 26/5/1993—The end of the decision related to the problem regarding approval of special status for the regions which are densely populated by Gagauzians by deputies of Parliament of Moldova can be explained as an attempt to avoid the quickest methods for overcoming this problem, declared to a BASAPRESS correspondent Mihail Kendighelean, President of the Supreme Soviet from Comrat. The cited source expressed that the present Government of Moldova is not interested and has no reasons to resolve the Gagauzian problem." Chisinau's Parliament made an attempt to introduce special status in order to create an impression that Moldova attempts to accomplish her best towards settling the situation in the South of the Republic," concluded Kendighelean, specifying that the Government of the self-proclaimed Gagauzian Republic insists on the right of self-administration of the population from the regions densely populated by Gagauzians.

Parliament Switches Bills on Gagauz Status

MK2705132493 Moscow NEZAVISIMAYA GAZETA in Russian 27 May 93 p 3

[Unattributed report under the rubric "NEGA Reports"]

[Text] Much to Gagauz deputies' surprise, Moldova's parliament started to discuss on 25 May a new draft bill on a special status for the areas with dense Gagauz population.

Gagauz deputies walked out protesting the substitution of the bill agreed on by a bilateral commission that provides for the creation of a self-governed territorial entity, Gagauz Yeri.

Mikhail Kindigilyan, chairman of the Supreme Soviet of the unrecognized Gagauz Republic, declared that he regards as deceit of the Gagauz people the appearance of the new version of the bill. The new bill only provides for cultural autonomy and drops one of the most essential provisions of Article 1 of the first version of the bill. Namely, in the event of a changed status of the Republic of Moldova, the Gagauz people would get the right to decide on their own future independently.

A press conference will take place in Komrat today where Gagauz leaders will explain their position on this issue. Mikhail Kindigilyan hopes that chiefs of Moldova's parliament will go back to discussing the original version of the bill incorporating amendments of the congress of deputies of all levels of the Gagauz Republic. A refusal to discuss the first version, Kindigilyan thinks, would signify disintegration of the Moldovan state.

Lucinschi on Efforts To Solve Gagauz Issue

AU2705152293 Chisinau BASAPRESS in English 1938 GMT 26 May 93

[Text] Chisinau, BASAPRES, 26/5/1993—Petru Lucinschi, the speaker of the Parliament of the Republic of Moldova, declared today during a press conference that the legislative body does not qualify yesterday's session where Gagauzian deputies abandoned the debate as an extraordinary situation, because the concrete examination of presented projects regarding the special status of the southern regions has not started yet. "We do not make a tragedy of this and continue our work, a fact confirmed also by a morning session, which began with debates around the corresponding problem. Representatives of parliamentary factions pronounced themselves for a concrete examination and resolution of the Gagauzian problem," clarified Lucinschi.

The chief of the legislative body said in addition that parliament is interested in settling this problem and it has enough experience and political intuition to resolve this issue taking into account the obvious consequences and in accordance with the code of international human rights. The consequences, concluded the speaker, must be positive and the adoption of the corresponding document should lead to the elimination of tensions within society and the establishing of consensus.

IMF Mission Arrives To Discuss Assistance

LD2705143193 Moscow ITAR-TASS in English 1258 GMT 27 May 93

[By ITAR-TASS correspondent Valeriy Demidetskiy]

[Text] Chisinau May 27 TASS—A mission of the International Monetary Fund (IMF) has arrived in Moldova. It plans to discuss with the Moldovan Government problems of technical assistance to prop up the republic's budget. Estimates of the Moldovan Finance Ministry show that the budget deficit at the end of this year may reach a threatening figure of 100 billion roubles. This is explained, as noted the other day during talks here between the government, trade unions and businessmen, by subsidies for foodstuffs, including bread and milk. For instance, a loaf of bread, made of imported wheat, can be bought for 20 roubles in local shops, while its net cost borne by the state is 100 roubles. The freezing of bread prices until August 1 has already cost the Moldovan budget 50 billion roubles.

Tajikistan

Rakhmonov Positive Over Ties With Russia

LD2705142893 Moscow ITAR-TASS in English 1319 GMT 27 May 93

[By TIA KHOVAR correspondent Negmat Ochilov for TASS]

[Text] Dushanbe May 27 TASS—Imamali Rakhmonov, head of the Tajik Parliament has described the treaty on friendship, cooperation and mutual aid, as well as other documents signed in Moscow between the Russian Federation and the Republic of Tajikistan as "historic and significant for long term prospects."

During today's news conference Rakhmonov declared: "We are grateful to the Russian president Boris Yeltsin and other leaders of the country for their understanding and support for the needs and concerns of the Tajik people who are now going through difficult times."

He went on to say that a clear agreement has been reached on close cooperation in many areas. Russia, in particular expressed its willingness to provide effective help in developing around one hundred thousand hectares of new land, and this will enable Tajikistan to considerably increase production of cotton and its delivery to Russian textile enterprises.

Imamali Rakhmonov highly appraised the agreements on military issues and especially Russia's participation in strengthening Tajik- Afghan borders which has been recognised by all the CIS countries.

The Russian president has accepted an invitation to visit Tajikistan and his visit will probably go ahead this autumn.

Incidents on Afghan Border Continue

PM2805091393 Moscow KRASNAYA ZVEZDA in Russian 25 May 93 p 3

[Anatoliy Ladin report under the "Events and Commentaries" rubric: "Tajikistan: Islamic Fundamentalists Did Not Succeed in Consolidating Hold. But Situation on Border Continues To Be Tense"]

[Text] As Colonel Romas Yankauskas, deputy commander of the group of Russian Federation border troops in Tajikistan, told a KRASNAYA ZVEZDA correspondent, the combat operation to clear one of the sectors of a locality in the region of Shuroabad of a large group of armed Islamic fundamentalists who penetrated Tajikistan's territory from Afghanistan at the end of April of this year, has been completed. According to facts in our possession, there were also Afghan mojahidin among the gunmen.

Subunits of government, Tajik Ministry of Internal Affairs and National Security Committee troops participated in the operation. It was carried out in several stages. The well-armed gunmen put up strong resistance. However, having sustained losses they were forced to withdraw across the border. In the area where the operation was carried out, dead drops were discovered containing arms and ammunition, and up to 500 rockets were removed.

If in the Pyandzhskiy and Moskovskiy border troop detachments' area of responsibility the situation has remained calm recently, in the Khorogskiy border troop detachment's sector attempts by small combat teams to cross into Tajikistan from the Afghan side have continued unabated. But it important to note that the Islamic fundamentalists' actions are not receiving support from Gorno-Badakhshan Autonomous Oblast's population, which, inasmuch as it can, is assisting the Russian border troops to stabilize the situation. However, tension is being tirelessly whipped up from across the border. A leader of the Islamic Revival Party, Davlyat Usmon, and other activists from this party are continually traveling along the border, visiting the places in the neighboring state where refugees from Tajikistan are quartered. Russian border troops associate the renewal of attempts to violate the border with their presence in the Afghan border regions. Nevertheless, at the last meeting between the leadership of the group of Russian Federation border troops and Afghan Border Commissar General Abdul Kadyr [name as transliterated], the latter expressed his aspiration to act in a spirit of goodneighborliness and to do everything possible to guarantee order on the Tajik-Afghan border.

Russian border troops who one of the Moskovskiy border troop detachment's sectors stopped the next in this series of violations of the Tajik-Afghan border on the evening of 23 May. As the Tajik news agency KHOVAR reported, an armed group of 12 men consisting of gunmen from a Tajik antigovernment grouping and Afghan mojahidin who had been trained in a special camp in Kondoz province, had intended to break through into Tajikistan. During the military clash five of the intruders were killed and the remaining men returned to Afghanistan. There were no casualties among the Russian border troops.

Turkmenistan

Niyazov Visits France, Meets With Mitterrand, Others

LD2805045293 Moscow Mayak Radio Network in Russian 1830 GMT 27 May 93

[Report by correspondent Yevgeniy Lukyanov from Paris]

[Text] The first visit to France by the head of Turkmenistan started with a meeting in the Elysee Palace with French President Mitterrand. Sharing his impressions with journalists after the conversation between the leaders of the two countries, Saparmurad Niyazov assessed it as highly interesting and useful, having laid

the foundations for cooperation between France and Turkmenistan. Both presidents discussed, as he said, the possibilities for political, economic, and cultural cooperation without detriment to third countries. France's abundant experience in these spheres could be useful for Turkmenistan, President Niyazov believes.

He also noted that among the issues discussed, those which concerned the development in Turkmenistan of the gas and oil industry, cooperation in banking, and also the need to open a permanent French mission in Ashkhabad were particularly singled out. The situation in the Commonwealth of Independent States was in actual fact not discussed with President Mitterrand, Niyazov said. The French side was only briefed on the position occupied by Turkmenistan in the Commonwealth and its attitude to individual problems of the CIS.

On the agenda of Saparmurad Niyazov's stay in Paris are meetings with the leaders of various major companies and firms in France among which are Aerospatiale, Thompson, Technip, Elf Aquitaine, Bouig. Conversations will also take place with French Foreign Minister Alain Jupe and Interior Minister Charles Pasqua.

By his first visit to France Turkmenistan's president intends to establish contacts with its state leadership and enlist the cooperation of French business circles.

Tomorrow, on Friday, President Niyazov will sum up the first results of his meetings in France at a news conference in Paris.

Uzbekistan

Karimov Holds Talks With Visiting Kyrgyz President

LD2805083493 Tashkent Radio Tashkent Network in Uzbek 0145 GMT 28 May 93

[Text] A Kyrgyzstan Government delegation led by President Askar Akayev arrived in Tashkent on 27 May. Akayev met Uzbek President Islam Karimov. During the talks the two sides examined problems arising in economic relations following Kyrgyzstan's introduction of its own currency. The heads of state examined ways for the speedy collection of rubles in the hands of the population and preventing the entry of these rubles into Uzbekistan.

The talks were then continued with the participation of the members of the delegation.

Colonel Outlines Armed Forces Development

PM2705154593 Moscow KRASNAYA ZVEZDA in Russian 20 May 93 p 2

[Interview with Colonel Arslan Khalmatov, deputy chief of staff of the CIS Joint Armed Forces and representative of the Uzbekistan Armed Forces, by military observer Lieutenant Colonel Anatoliy Dokuchayev; place and date not given; under "In CIS Armies" rubric: "Under the Wing of the Khumo Bird"]

[Text] KRASNAYA ZVEZDA continues its series on the Commonwealth states' armies. Today's item is devoted to the Uzbek Armed Forces. Our military observer's interlocutor is Colonel Arslan Khalmatov, deputy chief of staff of the CIS Joint Armed Forces and representative of the Republic of Uzbekistan Armed Forces.

From KRASNAYA ZVEZDA's Files

Arslan Baynazarovich Khalmatov was born in 1947. He has been in the Armed Forces since 1964. In 1967 he graduated from the Tashkent Higher Combined-Arms Command School. He has served as a platoon and company commander and as chief of staff and commander of a motorized rifle regiment. In 1980 he graduated from the M.V. Frunze Military Academy. He subsequently served in various posts in army, district, and sector staffs. Since April 1992 he has been first deputy chief of the Republic of Uzbekistan Armed Forces Main Staff. In November 1992 he was appointed deputy chief of staff of the CIS Joint Armed Forces.

[Dokuchayev] Arslan Baynazarovich, the Uzbek Army is already over a year old and has evidently acquired definite contours...

[Khalmatov] The republic Supreme Soviet decree of 14 January 1992 can be considered the starting point of our Army's organizational development. Then, in accordance with the Law "On the Fundamentals of the Republic of Uzbekistan's State Independence" of 31 August 1991 and the Agreement Between the Commonwealth Countries on Armed Forces of 30 December 1991, our state took control of the military units stationed on its territory. Why 14 January exactly? Since 1 February 1992 the funding from Moscow of general-purpose troops has been terminated, yet the military have had to go on living and serving.

On 20 February, on the basis of the president's edict, the leadership of all these units was made the responsibility of the Ministry for Defense Affairs that used to exist in the republic. Then the president instructed the military department and Justice Ministry to elaborate draft defense-related laws...

[Dokuchayev] What do the Armed Forces look like in practice?

[Khalmatov] Of course, alongside the elaboration of a legal basis, the reformation of forces and creation of command and control organs have been in progress. The decision of the country's leadership to build the Army on an international basis, enabling citizens of all nationalities to serve, has brought a systematic approach and stability to this process. It was, I think KRASNAYA ZVEZDA that reported quite an interesting fact—the Uzbek Army's top general is a Russian—Vladimir Pilyugin, chief of the Armed Forces Main Staff. Incidentally, we have organized Uzbek language classes for

officers and warrant officers so that they can communicate better with their subordinates, while Russian language classes have been organized for compulsory service soldiers of indigenous nationality to enable them to understand their commanders better.

What specifically has been done? So far an inspection of arms and combat equipment of the former Turkestan District and of the Air Defense Forces units stationed on the republic's territory has been carried out. The Defense Ministry's formation has been completed and reliable command and control of forces has been established. The prospects for reforming the Armed Forces have been determined.

In the first phase (its duration is being determined) it is proposed to carry out an optimization and improvement of the Army's organizational and establishment structure for peacetime and wartime, and in this context to determine a procedure for reforming large strategic formations, combined units, and units. The elaboration of legislative acts on security problems and on the Armed Forces' organizational development and functioning will be completed.

It is planned to largely complete the Army's formation and the creation of groupings and to switch to a mixed manpower acquisition system by the end of the period.

[Dokuchayev] What branches of service will there be?

[Khalmatov] Structurally our Armed Forces will consist of Ground Forces, Air Forces, Air Defense Forces, Special Forces, and a National Guard.

Ground Forces form the basis of the Armed Forces. It is proposed to have the kind of composition of these that would make them capable of successfully carrying out combat tasks not only in small but also in large-scale combat operations. We believe that their structure will ensure that highly maneuverable combat operations can be carried out in both defensive and offensive operations. Great importance is attached to the creation in the Armed Forces structure of mobile, well trained units and subunits with up-to-date armaments.

It is planned to have Air Defense Forces in the composition necessary to provide cover for command centers, main groupings, and rear facilities. It is proposed that the Air Forces will have separate aviation units with various roles and supply units. The Special Forces are designed to qualitatively tackle problems of providing operational backup for combat operations.

[Dokuchayev] What tasks is the National Guard responsible for?

[Khalmatov] Primarily for protecting state sovereignty, citizens' constitutional rights and freedoms, and a number of other specific duties: participation in ceremonial rituals (there is an honor guard company in the staff for this), guarding especially important state facilities, and so on.

[Dokuchayev] When discussing the Armed Forces' role did you rely on the state's military doctrine?

[Khalmatov] A doctrine is only just being elaborated, but doctrinal views have been defined. They rely on the republic's Declaration "On Sovereignty," the constitution, and the laws "On the Fundamentals of the Republic of Uzbekistan's State Independence" and "On Defense."

It has been legislatively defined that our state's military doctrine follows the principle of defense sufficiency in the Armed Forces' organizational development and the doctrine is that Uzbekistan does not recognize war as a way of solving international problems, wishes to be neutral, adheres to nonnuclear principles, does not have territorial claims against any state, does not regard any people as an enemy, and will never start hostilities against any other state unless it is itself the object of aggression.

[Dokuchayev] Uzbekistan signed the Treaty "On Collective Security" in May 1992. I know that your republic's leadership regards it as a guarantee of ensuring stability not only in the region but also in the world as a whole. But as regards the forms and methods of collaboration with other republics and their armed forces within the treaty's framework... What is official Tashkent's view on this?

[Khalmatov] In our view there are many areas for joint activity. They are primarily the implementation of an agreed foreign policy within the CIS framework with the aim of ensuring national and collective security, the coordination of CIS states' joint efforts to train to repel large-scale aggression, the practical organization of joint actions to prevent and eliminate localized conflicts on the external borders of states participating in the treaty, and the holding of joint operational and command post exercises...

Around 7,000 Uzbek youths are currently serving as soldiers and sergeants in the Russian Army on a voluntary, contract basis (in the Western Group of Forces). This fact is very revealing. Uzbekistan has signed practically all defense-related documents within the CIS framework. It is now preparing to sign a package of military documents on Russian-Uzbek cooperation.

[Dokuchayev] Seven thousand Uzbekistanis [uzbekistantsy] are serving in the Russian Army. Does that mean that everything as regards bringing units in your Army up to strength is all right?

[Khalmatov] Basically yes. Our legislation envisages that forces are brought up to strength by means of a draft of citizens based on the universal military service obligation and by means of citizens joining to serve on contract. Drafted soldiers, sergeants, and senior NCO's serve 18 months or 12 months if they have a higher education, and three years under the first contract. Servicewomen in the posts of soldiers and sergeants conclude a first contract for a period of not less than three years and warrant officers for a period of not less

than five years. Officers drafted for military service from the reserves serve 18 months and those of them who join voluntarily from the reserves serve not less than three years.

A maximum age for military service has been fixed. Soldiers, sailors, sergeants, and senior NCO's who have concluded a contract can serve up to the age of 35, as can servicewomen in the posts of enlisted and NCO personnel. Warrant officers and junior officers can serve up to the age of 43 and senior officers up to the age of 45, while colonels (captains first rank) can serve up to the age of 50, higher officers in the rank of major general and lieutenant general up to the age of 55, colonel general up to the age of 60, and army general up to the age of 65.

[Dokuchayev] What is the situation as regards officer training?

[Khalmatov] As in other CIS states' armies, a shortage of junior officers is being experienced. How do we plan to solve the problem? Under an agreement with the Russian Defense Ministry we will recall all graduates of Russian military educational establishments who have been sent on courses from Uzbekistan. It is proposed that officers with specialities in short supply be trained in other Commonwealth states' military educational establishments. Of course, we are counting on our own military schools, and we have three of them—the Tashkent Combined-Arms School, the Chirchik Tank School, and the Samarkand Motor Transport School. They will be reorganized in order to train combat arms and special forces officers. Reservists will fill some vacant posts following appropriate retraining.

[Dokuchayev] If possible, Arslan Baynazarovich, a few words on the training and indoctrination process in the Uzbek Army and its external aspect, so to speak...

[Khalmatov] Training is proceeding in an organized fashion. In future the main forms of training will be tactical and special tactical exercises. Officers will assimilate training and the conduct of operations in the light of new views in the art of warfare.

As regards establishing new symbols and traditions, all work lies ahead here. We simply did not consider it to be the main task—we made it a priority task to preserve stability in forces and provide social protection for cadre servicemen so that nobody has the slightest grievance against Uzbekistan. But there will of course be national coloration; our republic has always been famous for its distinctiveness. We have already introduced military ranks. The highest is marshal of the Republic of Uzbekistan. Army symbols will evidently include elements of the state emblem—the Khumo bird with wings spread, a symbol of happiness and love of freedom, and an octahedron symbolizing the republic's establishment, inside which is a crescent moon and star... And we are using the word "comrade" as the form of address.

Armenia

Government, Karabakh Comment on Peace Plan

Abrahamyan Notes Government's 'Willingness'

NC2705163993 Yerevan SNARK in English 1510 GMT 27 May 93

[Text] Yerevan, May 27 (SNARK)—Affirmatively responding to the three countries' and the CSCE'S initiative, the Armenian Government showed its willingness to move negotiations process from the dead point, said Armenian Presidential Press Secretary Aram Abrahamyan to SNARK's reporter. The press secretary added that Armenia once again displayed goodwill and resoluteness to proceed with the negotiations process within the CSCE auspices.

The press secretary underlined that Armenia being a member of the UN and the CSCE, are loyal to the international law principles announced by those organizations. "We consider that the resolution of number 822 is a document all points of which are to be carried out without any hesitation by the sides participating in the conflict: Azerbaijan and Nagorno-Karabakh, and also by all sides interested in it," Abrahamyan has noted. Azerbaijan, in his opinion, have to display a similar attitude to the points of the document, among which the "stop for any military actions" are the top important one. Commenting on the "3+1" initiative, Abrahamyan noted that accepting the points concerning the Armenian side the republican leadership understands that there are also some faults, which were pointed to in the May 26 Armenian president's announcement. In Abrahamyan's opinion, though the Karabakh leadership hadn't seen sufficient security guaranties [for] Karabakh population within the trilateral initiative, it does not mean the negotiations process have stopped. "The consultations to sign mutual beneficial decisions on different levels," said the press secretary.

Kocharyan Notes 'Lack of Security'

NC2705134993 Yerevan SNARK in English 1209 GMT 27 May 93

[Text] Stepanakert, May 27 (SNARK)—"Nagorno-Karabakh has always spoke and will proceed with speaking out for a peaceful settlement to the conflict,"-chairman of the Karabakh Defence State Committee Robert Kocharyan said to SNARK's reporter. "It is not accidentally, he continued, because Nagorno-Karabakh is tired of the war imposed by Azerbaijan, and needs in peace strongly."

"However, a peace-bringing to the region should take into its account the essential interests of Karabakh people. Because of that Karabakh leadership's answer to the trilateral initiative is a call upon the world community to respect the right of Karabakh people to guard their security, though, they noticed the lack of security in the initiative," the chairman underlined.

Prime Minister Visits UK, Signs Agreements

LD2805084993 Moscow ITAR-TASS in English 0548 GMT 28 May 93

[By ITAR-TASS correspondent Vladimir Voronkov]

[Text] London May 28 TASS—Four British-Armenian agreements were signed here on Thursday [27 May] during the visit to Britain of Armenian Prime Minister Grant Bagratyan. These include documents on the free movement of diplomats and the development of cooperation between the foreign ministries of the two countries.

The head of the Armenian Government had a meeting with British Secretary of State for Foreign and Commonwealth Affairs Douglas Hurd, at which they discussed the Nagorno-Karabakh problem, among other things. The head of the Foreign Office stressed during the conversation that Britain supported the initiative of the United States, Russia and Turkey on the settlement of the conflict. He believes that durable peace could be established in the region only if Nagorno-Karabakh had an autonomous status, but remained at the same time under the sovereignty of Azerbaijan.

Hurd expressed the same ideas on Tuesday during his meeting with Azeri Prime Minister Panakh Guseynov, who also paid a visit to Britain. REUTERS pointed out in this connection that a possible contact between the Armenian and Azeri heads of government had not taken place in the British capital.

Georgia

Shevardnadze, Iran's Velayati Hold 'Confidential' Talks

LD2705162493 Tbilisi CONTACT INFORMATION AGENCY in Russian 1354 GMT 27 May 93

[Text] The Georgian head of state, Eduard Shevardnadze, received Iranian Foreign Affairs Minister 'Ali Akbar Velayati in Tbilisi today. A confidential conversation took place, after that Eduard Shevardnadze met members of the Iranian delegation. In the course of the meeting, Mr. 'Ali Akbar Velayati pointed out that the visit to Iran by the Georgian head of state served as a strong momentum to the deepening and developing of relations between the two countries, and added that expanding such ties was important both for Georgia and Iran. During the conversation it was also stressed that factors of bilateral and multilateral cooperation in the economic sphere must become the main mechanism of political settlement of conflicts. It must be noted that substantial changes for the better have already emerged in the sphere of trade and economic cooperation between the two countries. The Iranian side praised the Georgian initiative concerning the inclusion of Iran in the construction of a Eurasian transport corridor.

Also today, Mr. 'Ali Akbar Velayati was received by Georgian Foreign Affairs Minister Alexandre Chikvaidze. The minister expressed satisfaction regarding the development of bilateral relations, the foundation of which was laid during the visit to Iran by the Georgian head of state, when a number of important agreements were signed.

During the conversation the heads of the two countries' diplomatic agencies stressed that it was necessary to make fuller use of cooperation, that will allow not only expansion of bilateral relations, but also to normalize the situation in the region.

View Relations

LD2705192793 Tbilisi Radio Tbilisi Network in Georgian 1500 GMT 27 May 93

[Excerpts] Today 'Ali Akbar Velayati, foreign minister of the Islamic Republic of Iran, arrived in Georgia on an official visit. [passage omitted]

After a short rest, the honorable guest met Eduard Shevardnadze in his residence. After meeting with the minister, the head of the Georgian state met members of the Iranian delegation. Eduard Shevardnadze warmly greeted the guests. He emphasized that the Georgian Government attaches great significance to the growing business and friendly relations with the Islamic Republic of Iran. He said that his conversation with 'Ali Akbar Velayati as well as his previous talks with other Iranian leaders has made it obvious that there is full understanding between the two countries, the countries have similar interests, and respecting each other they intend to expand spheres of cooperation.

The Iranian foreign minister, on behalf of his government, congratulated the Georgian people on their Independence Day. He emphasized that Eduard Shevardnadze's visit to Tehran promoted deeper understanding between the two people and the strengthening comprehensive relations between Iran and Georgia. [passage omitted]

Also today, Georgian Prime Minister Tengiz Sigua met 'Ali Akbar Velayati, foreign minister of the Islamic Republic of Iran. Iranian Ambassador to Georgia Fereidn Haqbin took part in the meeting. The conversation touched on the issue of the relations of the two countries in various spheres. These relations, as Tengiz Sigua said, are developing quite successfully. 'Ali Akbar Velayati expressed the hope that his visit would promote the establishment of close contacts between Iran and Georgia and said that Iranian ministers of agriculture and petroleum will visit Georgia soon to draw up corresponding agreements. There are prospects of opening up air routes between Georgia and Iran for both passenger and cargo planes. Great interest was shown on the issue of the reconstruction of the Europe-Asia transport corridor, on which comprehensive information was given by Georgian Vice Premier Zurab Kervalishvili. Velayati said that the Europe-Asia corridor will also be of great help to Iran and will further the relations between our countries due to the importance of transport.

The guest met Georgian Foreign Minister Aleksandr Chikvaidze. [passage omitted]

Rafsanjani Sends Greetings

LD2805085693 Tbilisi Radio Tbilisi Network in Georgian 0400 GMT 28 May 93

[Text] Eduard Shevardnadze has received a congratulatory telegram from the Islamic Republic of Iran.

I congratulate you and the friendly Georgian people on Georgia's national holiday. I am sure that with your effort Iran and Georgia will take good steps toward widening useful cooperation which will bring happiness both to our people and the whole region. I wish you, the State of Georgia, and its people, success and happiness.

[Signed] 'Ali Akbar Hashemi-Rafsanjani,

President of the Islamic Republic of Iran.

Shevardnadze Orders Development of Private Enterprise

AU2805101493 Tbilisi SAKARTVELOS RESPUBLIKA in Georgian 20 May 93 p 1

["Order of the Georgian Head of State on Urgent Measures for the Development of Private Enterprise in Georgia"; place and date issued not given]

[Text] **In order to support the initiative of Georgian business circles and unite the efforts of private entrepreneurs aimed at resolving the tasks of state construction and overcoming the economic crisis:**

1. The creation of favorable conditions for the development of private enterprise in Georgia is to be viewed as one of the primary state tasks;

2. The Republic of Georgia Cabinet of Ministers is to speed up the elaboration and ratification of a state program for the promotion of private enterprise in Georgia and the formation of an economic organizational system for implementing it;

To determine as the fundamental directions of this program:

—the creation of solid and legal guarantees for protecting private enterprise, including foreign capital;

—the promotion of the formation of a market infrastructure necessary for entrepreneurial activities;

—the real acceleration of privatization, taking into full account international experience;

—the purposeful training of managerial staff, and the improvement of their economic and legal knowledge;

—the formation of an effective system of financing, crediting, and insuring entrepreneurial activities;

—the creation of particularly favorable conditions for the development of small businesses, including family and small farms in villages;

—the formation of a market of means of production oriented to the demands of small and medium-scale business.

3. The Republic of Georgia Cabinet of Ministers is to ensure:

—the efficient adoption of organizational and normative decisions necessary for the real implementation of antimonopolistic legislation;

—the participation of private entrepreneurs in the implementation of interstate commercial and economic treaties and in state investment, credit, and other programs; the mastering by the private sector of the practice of receiving corresponding licenses and quotas and credits, including those in foreign currency, through competitions and tenders;

—a reduction and rationalization of the burden of taxation during the preparation of a draft for changing the taxation system, a simplification of the mechanism for levying taxes, and the creation of an appropriate stimulus for channeling investment in the priority branches and spheres of production development and incomes.

4. The heads of local administrative bodies:

—are to implement the appropriate measures in the regions to improve entrepreneurial activities and speed up the formation of an infrastructure of services guaranteeing the development of family and small farms in villages;

—are to adopt decisive measures to register enterprises, eradicate existing violations during the allocation of appropriate areas and plots of land for entrepreneurial activities, and increase the responsibility of those workers who are artificially hindering the development of healthy enterprise in the regions;

—are actively to involve private entrepreneurs in the resolution of local economic and social problems.

[Signed] E. Shevardnadze

Ioseliani Urges Formation of Paramilitary Corps

MK2805094493 Moscow NEZAVISIMAYA GAZETA in Russian 28 May 93 p 3

[Guga Lolishvili report: "Independence Day in the Truce Period. Jaba Ioseliani Comes Out of the Shadow"]

[Excerpt] [passage omitted] On the morning of 27 May the Georgian parliament resumed its work. For the third time within the past two weeks the question of setting up a Rescue Corps was raised. The Rescue Corps is planned to be created on the basis of the Mkhedrioni paramilitary organization headed by Jaba Ioseliani. Parliamentary debates on the subject were marked by anxiety felt in Georgia about Ioseliani. Draft constituent documents of the Rescue Corps, drawn up by the founder of Mkhedrioni, give the would-be formation overly sweeping powers. In the event parliament approves the documents, the Rescue Corps will acquire the status of a ministry and its members will be entitled to carry weapons. The Rescue Corps will in effect become a State Committee for Emergency Situations. It will be tasked with providing assistance to the population during natural disasters, fires, and also coordinating civil defense efforts. In Ioseliani's view, in wartime this organization should fulfill military assignments.

At present, many people in Georgia fear an increase in Mkhedrioni's clout, because there is still a lot of mysterious pages in the organization's history. On the other hand, it is evident that should parliament block the option proposed by Jaba Ioseliani, the Rescue Corps will operate as a public organization anyway. But in this case the state will be in no position to supervise its activity. "As you like!" Jaba Ioseliani said. The leader of Mhedrioni gives as a reason for setting up a new structure his desire to secure the future of "his guys:" "They have shed enough blood for Georgia and deserve to be taken care of by the state." Ioseliani dropped a thinly veiled hint about the consequences of the parliament's stubbornness: "In this event, there will be 2,000 unemployed in Georgia, who will have nothing with which to occupy themselves." [passage omitted]

Gotsiridze Views Currency, Economic Reform

AU2805094593 Tbilisi REZONANSI in Georgian 15-16 May 93 p 1

[Interview with Vice Premier Roman Gotsiridze by correspondent Giorgi Kalandadze on 14 May; place not given: "Roman Gotsiridze: 'A National Currency Will Be Printed in June'"]

[Text] [Kalandadze] When will ruble and coupon deposits be separated?

[Gotsiridze] To all intents and purposes, the separation of ruble and coupon deposits will signify the withdrawal of the Russian ruble both from economic and financial circulation in Georgia, if the ruble and coupon rate of exchange are established in the same way as for any foreign currency. Therefore, the Russian ruble has to be declared a foreign currency as a result of which it will not be possible, from the point of view of strengthening the domestic currency, for the currency of another country to be in parallel circulation as, in this case, a currency market will not be formed and it will not be possible to purchase foreign currency with the coupon if another currency is freely in parallel circulation. In fact, this already means the creation of an absolutely independent financial system and complete monetary reform. We can

do this even today. As is known, several former Soviet republics have refused to remain in the ruble zone. For example, Ukraine started to create and introduce an additional parallel money supply in coupons, then switched to the karbovanets. In the future, the karbovanets will be replaced by a banknote and this will probably be followed by a reduction in the money supply. This does not mean that Ukraine does not have its own money. The Ukrainian karbovanets is a national currency in all its attributes; only the scale of prices has partially remained the same. We are observing the situation. In this case, we have the possibility of making a definite choice. We are viewing from a distance the processes under way in the ruble zone; the fact that the monetary unit of this country that is in ruins—the coupon—has, to a significant degree, withstood pressure and has been introduced relatively less painfully and on a more stable basis than the karbovanets has been due to many factors: In the first place, our methods of introducing it have been justified and, of course, the time at which this is taking place when Russia is creating its own currency. Russia is gradually bringing its own money into circulation and has embarked on the evolutionary path of monetary reform and not chosen the method of sudden withdrawal. This is a painless path. Therefore, the problem of withdrawing this money that is in circulation is clearly visible; we have the means to act in different ways. Monetary reform in Russia has proceeded absolutely correctly, as it was impossible to withdraw the ruble in one fell swoop. First, there would have been social tension and, second, a total paralysis with regard to settlements with those states toward which Russia has specific obligations. We have reached the point at which the Russian ruble has been brought to its minimum level in the space of the Soviet Union, and Russia has today reached that critical point at which it could at any moment, and in accordance with administrative procedure, declare the withdrawal of the currency that belonged to the time when the Soviet Union was in existence, which would not result in any great difficulties in the banking system as far as exchanging currencies is concerned.

[Kalandadze] When will a Georgian national currency be introduced and, if it is introduced, how will its exchange rate to the ruble be determined?

[Gotsiridze] The introduction of a national currency will take place when there is a differentiation between coupon and ruble deposits. Of course, initially, the coupon will bear all the attributes of a national monetary unit. In fact, the coupon will become the sole national currency on the territory of the country, following which the coupon will be exchanged for the lari [Georgian currency unit]. Naturally, this will take place by means of a reduction in the money supply and other forms of monetary reform. Laris will be printed in June but will be introduced in their final form when settlements in rubles and coupons are conducted separately. However, monetary reform is not dependent on this alone. The introduction of a national currency will depend on various processes and, most important, on the final closure of our economic space.

[Kalandadze] What steps are being taken toward reforming the banking system?

[Gotsiridze] In order to carry out a reform of the banking system, it is necessary, in the first place, to have a correct banking policy. Our banking policy in Georgia is absolutely incorrect. What we have is a huge uncontrolled money supply, an incorrect policy in the sphere of settlements with neighboring countries and on the domestic credit market, and these vast credit resources, which are not covered by bank assets [ar gaachniat sabanko dasakonleba], are, in themselves, having a very negative influence on many processes, for example, on financial processes. We are slowly moving toward a regulation of these processes by means of legislation and decrees. We have introduced a strict form of making settlements with neighboring countries that were formerly part of the Soviet Union, which will be controlled by a currency commission, as any sum transferred abroad contributes to Georgia's foreign debt. On the other hand, Parliament, once it has discussed the budget deficit, will establish a limit on the issuing of credit. This should be allocated without fail to state banks at a price, and the money received should be used to finance government programs. The rest should be sold at auctions instead of being allocated.

[Kalandadze] When will places to change currency finally be established?

[Gotsiridze] Places to change currency are where interest dictates. They will appear on a large scale when there is a necessity for this. This will happen when there is a differentiation between coupon and ruble deposits. Then, these exchange offices will spring up like mushrooms, both in banks and commercial structures.

[Kalandadze] How will the privatization process be implemented?

[Gotsiridze] Many things are hampering this process. I am in favor of facilities in the service and commercial sector being rapidly transferred today to those who occupy them, as was the case with the privatization of apartments, because every auction has shown that there has not been a single case of an outsider acquiring the thing being privatized. However, when exceptions have occurred, people have been forced to return the property at some later stage. Small facilities should be privatized immediately, although I do not know to what extent this will receive the support of Parliament. I believe this is the only way of filling empty shops with goods.

[Kalandadze] As Nodar Javelidze, the director of the SAMSHOBLO publishing house, revealed to REZONANSI, for technical reasons the free press will not be able to be published for 10 days. Is this an act directed against the freedom of the press?

[Gotsiridze] We are making every effort to find somehow the vital resources that the publishing house needs. We will make every effort to bring in the necessary materials by whatever means. We are creating funds for this purpose. The press in Georgia should not stop publishing. The press represents the foremost platform for democratic life, although this does not mean that the press always functions competently. For example, the economy has been downgraded to accommodate narrow-minded thinking and reduced to mundane notions; there is not the professional insight of, let us say, the Russian press.

[Kalandadze] Thank you.

Lithuania

Sweden's Defense Minister on Creating 'Common Security System'

WS2705074293 Tallinn BNS in English 0700 GMT 25 May 93

[Text] Vilnius, May 24, BNS—The Defense Minister of Sweden Anders Bjork has arrived on a short visit to Vilnius.

At a meeting with the Lithuanian Territorial Defense Minister Audrius Butkevicius sides discussed the creation of a common security system For the Baltic states that would make it possible to effectively control the aerospace and the territorial waters of the countries. Bjork said that his government may give real assistance in implementing the project.

On Monday Sweden's Defense Minister also met with Lithuanian President Algirdas Brazauskas and Premier Adolfas Slezevicius.

Minister Proposes Economic Policy Innovations

WS2805095993 Vilnius LIETUVOS AIDAS in Lithuanian 8 May 93 No. 87 p 4

[Interview with Economy Minister Julius Veselka by newspaper correspondent Anicetas Sungaila; place and date not given: "Economy Minister on the Economy"]

[Text] Julius Veselka is talking to Anicetas Sungaila about the proposals to the government on how to improve the Lithuanian economy.

[Veselka] Our main mistake was that we supported only small and medium-sized business. I would like to see large concerns and corporations emerging in Lithuania which would perform similar to state enterprises. I am not against small business, but it is the large concerns that will make Lithuania famous throughout the world. Monopoly cannot be measured in terms of the size of the Lithuanian market. Large and free markets are very important for small states. This is the essential thing. We should advocate at world forums that Lithuania favors a common market, and that it is not some poor beggar, but a state capable of managing its economy independently. We should demonstrate that our country is not isolated or ailing with nationalism, although some people in the East and in the West see us in this manner. If it does not infringe on our independence, we should expand cooperation with all countries.

The Seimas should demand that the Central Bank present a program on strengthening the national currency. There can be no market, if the policy of the Central Bank is unsuccessful. The key function of the central bank is to make the national monetary unit stable and convertible. All previous governments had made a mistake by not turning the state capital into stock. A state is only a stockholder that receives its dividends. It participates in the process of privatization on equal rights with any other stockholder.

Brains and skills are the most valued commodities in the world. That is why we should review our priorities. I do not believe that Lithuania cannot produce better television sets or refrigerators than Japan.

Presently, we observe the come-what-may psychology. We are concerned about how to collect taxes and help the needy.

We need forecasts and an active cooperation between the state and economic units. The best example is Japan. Businessmen always achieve better results that the state predicts.

[Sungaila] **We intimidate people with the need to introduce property taxes.**

[Veselka] Our people have built a lot of castles, and I do not envy them. However, if the United States and other rich countries may collect taxes on assets, we should understand that we must do the same. Having become rich, an individual must think about increasing his wealth. If he is unable to do this, he should sell part of his property and become poorer. Each small trader must have a license to operate and may do whatever he likes. Those who do not want to act in a civilized manner must be punished, not only through the confiscation of their wealth.

[Sungaila] **You look to the East more often than to the West. Why?**

[Veselka] Russia is also moving toward the market. I cannot remain quiet when I see how other countries are capable of exploiting its natural resources and raw materials. Russia's democratic evolution will promote the economic development of other countries.

[Sungaila] **We are moving toward the market. However, there seems to be no end to this.**

[Veselka] I do see this end. The current situation is very difficult, but you should notice how the market frees and strengthens enterprise.